Problems of Communism

Pltg. Mtg's 'consistent misjudging of issues—events-he initiated now out of control'— Day + Braun.

MAY-JUNE 1990

Protest in Beijing
David Strand

PRC in Crisis
Michael D. Swaine

Gorbachevian Contradictions
Aurel Braun & Richard B. Day

Soviet Military in Transition
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Vietnamese Reform
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Essay-Reviews
Zvi Gitelman
Ferenc Fehér
Trond Gilberg
June Teufel Dreyer

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Problems of Communism

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MAY-JUNE 1990 VOL XXXIX

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COVER: Left, a Chinese student demonstrates against Japanese imperialism in the 1920's; right, a student pro-democracy hunger striker in Tiananmen Square in May 1989. Photos by UPI/Bettmann and Reuters/Bettmann.

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IN THIS ISSUE OF

Problems of Communism

Articles

Protest in Beijing: Civil Society and Public Sphere in China

David Strand

Two dimensions of political life underpin democratic theory and practice: the autonomy of individuals and groups ("civil society") in relation to the state, and the presence of a critical public willing to hold government accountable for its actions ("the public sphere"). Both existed in urban China in the pre-1949 period, but neither gave any but the weakest signs of developing into a democratic polity on the European model. Their existence did, however, make possible a lively politics that periodically subjected officials and regimes to popular pressures. It is just such a configuration that is now being revived and elaborated in contemporary China. In the past, the lack of a clear demarcation between state and societal spheres had redounded to the advantage of the regime in its quest for political and social control. But now, the state's increasing difficulty in controlling itself can trigger the sudden enlargement of society, as we witnessed last year in Tiananmen in protests that took a form that was uncannily similar to that of the May Fourth period.

China Faces the 1990's: A System in Crisis

Michael D. Swaine

The Chinese system stands at a critical juncture in its development. Neither a decade of reform nor the corrective actions in effect since September 1988 have addressed the most fundamental problems of the economy. Politically, the center is divided and weak, the lower rungs of the party and state apparatuses are irresolute and structurally fragmented, and the military is embroiled in a dispute between the proponents of professionalization and the proponents of politicization. Overcoming these problems requires truly innovative economic and political policies. However, the capability of the system to meet the challenges facing it has never been weaker. Thus, the present situation suggests that China may experience a prolonged slide into regime impotence, confusion, and disarray, in which Beijing is able only to suppress certain actions, not guide and inspire them.

Gorbachevian Contradictions

Aurel Braun and Richard B. Day

As Mikhail Gorbachev pursues the still vague goals of *perestroyka*, a growing chorus of voices in the West has advocated help for him. Aside from the fact that the size of the Soviet economy will perforce make Western help marginal at best, there is the larger issue of the proper diagnosis of the Soviet crisis. All indications are that the economic problems are a by-product of a legitimacy crisis of the Soviet system. Unless Gorbachev is able to jettison the Leninist system and rid himself of his own vanguardist mentality, the political crisis is unlikely to be resolved and the Soviet Union's people will not be drawn into participating in the economic reconstruction of the Soviet Union.

The Soviet Military in Transition

William E. Odom

Spurred by the failure of past military policies to assure Soviet security, Mikhail Gorbachev has introduced major changes in Soviet foreign policy, military strategy and doctrine, manpower policies, military research and procurement, and military organization. Stressing cooperation in solving global problems instead of competition between political systems, he has reversed the offensive bias in Soviet strategy and force structure and attempted to reduce the military drain on the weakened Soviet economy. The challenge of ethnic unrest and separatism, however, may force Gorbachev into heavy reliance on the very military force that he is attempting to reduce.

(Abstracts continued on reverse side)

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The Politics of "Renovation" in Vietnam

Gareth Porter

Realizing that the centralized bureaucratic system of economic management had brought economic stagnation and a dramatic weakening of the regime's legitimacy, Vietnam's Communist leadership in 1986 launched a policy of "renovation" that aimed at liberalizing the economy, promoting greater freedom of opinion and participation, and opening up the country to large-scale foreign investment. There has been fierce debate and maneuvering within the party leadership, however, over whether the pressures for political pluralism should be allowed to undermine the party's tight monopoly of power. So far the cap has been kept on politics, but the logic of the reforms may force further political liberalization in the years ahead.

Essay-Reviews

The Roots of Eastern Europe's Revolution

Zvi Gitelman

Eastern Europe was ripe for massive political and economic change many years before the revolutions of 1989. The Marxist-Leninist regimes lacked political legitimacy, they failed to resolve fundamental economic problems, and their ideology was bankrupt. When the Soviet leadership decided that it would no longer intervene to prop up these regimes, they fell in rapid order. With the demise of communist power in the region, two broad programs will compete for Eastern Europe's future: political democracy and authoritarianism underpinned by national chauvinism. Thus, the diversity that characterized Eastern Europe in the interwar period may well prevail once again.

Soviet-Type Societies: The Need for New Theory

Ferenc Fehér

Recent changes in the communist world as a whole and in Eastern Europe in particular reveal the exhaustion of the language of Sovietology. Neither the theories advanced in the West to explain communist systems nor revisionist critiques of communism advanced by the East Europeans themselves account adequately for the crisis currently besetting communism. The new situation calls for new theories, which ought to be able to respond to and account for the transformation toward some form of democratic order now taking place in Eastern Europe.

Eastern Europe in Flux

Trond Gilberg

In 1989, communist parties in Eastern Europe surrendered power because they lacked political legitimacy, lost control of the instruments of coercion, and could no longer rely on Moscow for support. Students of East European and Soviet politics failed to understand or predict the fundamental nature of the crisis leading to the overthrow of Marxist-Leninist rule in Eastern Europe. Hence, several recent works on Soviet–East European relations, which assumed both continued communist party control in the countries of Eastern Europe and continued Soviet domination of the region, are perhaps historically interesting but ultimately overtaken by events.

The Modernization of China's Military

June Teufel Dreyer

Deng's military modernization program, when considered in isolation from the context of Chinese society as a whole, is impressive in its design and logical in its goals. Some Western analysts have thus tended to regard success of the program as inevitable. However, the problems facing the military are to a significant degree a reflection of the problems of Chinese society itself. There is therefore an element of intractability in them. Progress toward the modernization of China's military has undeniably been made but whether to be impressed by this progress or depressed by the distance still to go depends on the mindset of the beholder.

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Protest in Beijing: Civil Society and Public Sphere in China

David Strand

Viewed from the perspective of modern Chinese history, the 1989 pro-democracy demonstrations in Beijing were both unprecedented and uncannily familiar. The demands for change by ordinary citizens and the sense that democracy was gaining ground on the mainland was new. At the same time, the form of the movement seemed to have been lifted directly, and with little alteration, from the May Fourth Movement of 1919 and the subsequent May Fourth–style demonstrations of the 1920's, 1930's, and 1940's.[1] The immediate goal of the May Fourth Incident of 1919, when thousands of Beijing students assembled in the area outside Tiananmen (Tianan Gate), was to protest diplomatic blows dealt to China at the Versailles Peace Conference, particularly the cession to Japan of former German concessions in Shandong province. Chinese students were furious at this cynical commerce in their country's sovereign rights, and were even more enraged by the Chinese government's acceptance of it.

The 1989 pro-democracy movement began in mid-April with student rallies mourning the death of former Chinese Communist Party General Secretary Hu Yaobang, who had been purged from his leadership post in 1987 in the aftermath of an earlier wave of pro-democracy student protests. In death, the symbolic role of democrat was bestowed upon him by educated young people who were becoming increasingly dissatisfied with official corruption, inflation, and the stagnation of political and economic reforms. Over the next month and one-half, student protests in Beijing, which originally had the modest goal of initiating a dialogue with the government about the problems that plagued China, escalated into a popular rebellion that included broad segments of the populations of Beijing and scores of other cities.

In both 1919 and 1989, students led through example. They did not directly mobilize fellow city residents, but ordinary citizens followed them anyway, in the corporate guise of merchant and craft guilds and locality associations (*tongxiang hui*). In 1989, townspeople likewise participated under the banners of their "units" (*danwei*).[2] As in the past, student and worker federations sprang up to unify and consolidate the great gatherings of groups on Tiananmen Square, and student guards and marshalls kept order. Up until June 4, soldiers and police were neutralized by bands of activists who surrounded them and appealed to their patriotism. Moral pressure was also exerted on those at the summit of state power; every effort was made to shame regime leaders into mending their ways.

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[1]Unless otherwise indicated, all references to Beijing during the May Fourth Movement era are based on David Strand, *Rickshaw Beijing: City People and Politics in the 1920s*, Berkeley, CA, University of California Press, 1989. The May 30th Movement in 1925, the December 9 Movement in 1935, and student movements in 1947 and 1948 followed the May Fourth pattern.

[2]A unit (*danwei*) is one's place of employment, or, in the case of students, one's school (*xuexi danwei*).

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May Fourth Movement ideals of science and democracy and the May Fourth model of political protest clearly shaped perceptions of what was unfolding in the spring of 1989 both within the movement and within the regime. Beijing students had originally planned to continue their demonstrations and boycott of classes at least through May 4 because of the date's symbolic importance.[3] For its part, the regime had feared, well before Hu Yaobang's death and the first student demonstration, that the 70th anniversary of the 1919 student movement would reignite pro-democracy sentiments.[4] Still, the completeness and the detail of the 1989 revival suggest a tradition that was being lived as well as exploited; it was as if social and cultural forces beyond the conscious direction of the organizers and participants were shaping events in the square.

Did the movement constitute a "democratic" breakthrough? This question, raised by observers at the time of the demonstrations and afterward, underlines the issue of just how "new" the events of 1989 were. Were democratic ideas—the student agenda of free speech, civil rights, and fair elections—being given a lift by old forms of social protest? Was an integral democratic tradition dating back to 1919 being revived? Was Western-style democracy a surface phenomenon that barely concealed a largely traditional, distinctively Chinese remonstrance to the emperor (or emperor-surrogate)?[5] Were both liberal democracy and traditional remonstrance collapsing into an authoritarian effort by protest leaders to police and protect their emergent pro-democracy "*danwei*"?[6]

As a prelude to considering these questions, I would like to take a closer look at what constituted public politics in May Fourth–era Beijing. Rather than focus in the first instance on democracy as a set of ideals or institutions, I will examine two dimensions of political life which underpin democratic theory and practice: the autonomy of individuals and groups ("civil society") in relation to the state, and the presence of a critical public willing and able to hold government accountable for its actions (the "public sphere"). Both existed in urban China in the pre-1949 period, but neither gave any but the weakest signs of developing into democratic institutions. Despite this "arrested" development, the existence of "civil society" and a "public sphere" made possible a lively, pluralistic politics that periodically subjected officials and regimes to democratic, that is to say popular, pressures. It is just such a configuration of pressures that is being revived, and elaborated, in contemporary China. When Chinese seek a democratic tradition of popular participation, they are drawing upon a tradition of movements, not institutions. When they act independently of the state, they are acting as heirs to outspoken elites and attentive publics that emerged with great vigor during the post–Taiping Rebellion reconstruction efforts of the late 19th century. Finally, when Chinese remonstrate to the political center against injustice, they are following a cultural logic of protest with antecedents thousands of years old.

Civil Society and Public Sphere in Pre-Revolutionary China

In its modern Western usage, "society" is an "association of free men" and women counterposed to the "state" as an "organization of power, drawing on the senses of hierarchy and majesty."[7] In traditional Chinese and East Asian thought, there is no equivalent, indigenous concept of society as a separate realm of free individuals.[8] According to Alexander Woodside:

Confucian thought . . . did not acknowledge the power and influence of any abstract entity like "society" separate from individual existences, even though it did believe in a general moral climate which could degenerate.[9]

The neologism *shehui* (the term for "communal reli-

[3]Robert Delfs, "Stepping Over the Line," *Far Eastern Economic Review* (Hong Kong), May 4, 1989, p. 10. The boycott of classes was a principal weapon of May Fourth–era students. The first boycott was launched in order to obtain the release of students arrested on May 4 and ended with their release two days later. A second school strike began on May 19 in Beijing and spread throughout the country. See Chow Tse-tsung, *The May Fourth Movement: Intellectual Revolution in Modern China*, Stanford, CA, Stanford University Press, 1960, pp. 120–128, 141–144.

[4]In February, a "Circular on Commemorating the 70th Anniversary of the May 4th Movement" put out in Beijing by the Communist Youth League attempted to downplay the democratic content of the movement by stressing "patriotism, reform, doing pioneering work, and forging ahead." In March, this formula was rescinded by the CCP Central Committee in favor of an emphasis on patriotism, democracy, and science. See *Zhongguo tongxun she* (Hong Kong), Apr. 11, 1989, translated in Foreign Broadcast Information Service, *Daily Report: People's Republic of China*, (Washington, DC—hereafter, *FBIS-CHI*), Apr. 14, 1989, pp. 19–20. Throughout the duration of the 1989 movement, references to the May Fourth tradition continued to appear as a means of discussing the nature and legitimacy of the students' actions. See, for example, Communist Youth League leader Liu Yandong's remarks on the "May Fourth spirit" in which he recognized that "young people are crying loudly for democracy" as their predecessors had done but that they should still "profoundly understand China's reality and avoid rashness." *Liaowang Overseas Edition* (Hong Kong), May 1, 1989, trans. in ibid., May 9, 1989, p. 26.

[5]See Dorothy J. Solinger, "Democracy with Chinese Characteristics," *World Policy Journal* (New York), Fall 1989, pp. 621–32.

[6]Sarah Lubman, "The Myth of Tiananmen Square: The Students Talked Democracy, But They Didn't Practice It," *The Washington Post*, July 30, 1989.

[7]Raymond Williams, *Keywords: A Vocabulary of Culture and Society*, New York, Oxford University Press, 1976, p. 245.

[8]Alexander B. Woodside, *Community and Revolution in Modern Vietnam*, Boston, Houghton Mifflin, 1976, p. 54.

[9]Ibid.

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Chinese students demonstrate outside Beijing's Gate of Heavenly Peace (Tiananmen) on May 4, 1919, to protest diplomatic blows dealt to China at the Versailles Peace Conference.

—YMCA of the USA Archives.

gious meetings" in the Song dynasty) had to be borrowed from the Japanese, who had given to it the European meaning of "society."[10] Of course, Chinese have always recognized the difference between people in government and out of government, and between people acting in a personal or private capacity on the one hand, and in the public interest on the other. The terms *guan* (official), *gong* (public), and *si* (private) were available to make these distinctions. But lines between them were less than distinct. In fact, the very ambiguity of these terms made expanding participation in politics possible because it meant officials did not extend their paramount moral and political position into monopoly control over public affairs.

In his discussion of "public goods and services" in the great 19th-century commercial center of Hankou, William Rowe quotes a government representative who stated that the repair of city streets was "incumbent upon the local officials."[11] However, in the same breath as he noted that street repair was a government responsibility, he acknowledged that funds for repair work were customarily provided for by merchants as a "benevolent act." No tax monies were used to construct or fix "official streets" (*guanjie*), "public lanes" (*gongxiang*), or "private lanes" (*sixiang*).[12] This Chinese practice calls to mind American tycoon Donald Trump's recent bid to demonstrate, through his renovation of New York's Central Park skating rink, that the private sector is more efficient than the government in promoting and managing public works. Minus the glitz (or rather, with appropriate Confucian trappings), this kind of moral showmanship was the norm in late imperial China. Under certain conditions, private people carried out official functions. Officials used public monies and government authority for private purposes. Elites with and without positions in the "state" slipped in and out of a public realm of good deeds and public discussion.

In an operational sense this interchangeability of roles and the commitment to private initiative meant that local communities, including major cities like Hankou, were relatively autonomous or self-managing. Despite the absence of "society" as an abstract idea, late imperial China had what can be characterized as a "distinct premodern civil society" by dint of its legion of self-regulating corporate groups.[13] These groups in-

[10]Ibid.

[11]William Rowe, *Hankow: Conflict and Community in a Chinese City, 1796–1895,* Stanford, CA, Stanford University Press, 1989, p. 140.

[12]Ibid.

[13]Mayfair Mei-hui Yang, "Between State and Society: The Construction of Corporateness in a Chinese Socialist Factory," *Australian Journal of Chinese Affairs* (Canberra), July 1989, p. 35.

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cluded "guilds, native-place [locality] associations, clans and lineages, surname associations, neighborhood associations and religious groupings such as temple societies, deity cults, monasteries, and secret societies."[14] Through these organizations, a commitment to independent civic activity grew in strength and influence in the aftermath of the devastations of the Taiping Rebellion (1851–64). Local elites took over management of such tasks as poor relief, keeping order, and water conservancy and, at the same time, became increasingly vocal in their criticisms of the government's foreign and domestic policy.[15]

As a practical matter, how significant was it that these associations and the individuals who belonged to them were "subject" rather than "free," given that the state was willing to grant them such broad latitude in the governance of their own affairs? In retrospect, if one is convinced that a principal obstacle to democracy in today's China is the lack of a strong democratic tradition, it made a great deal of difference.[16] Liu Zhiguang and Wang Suli, co-authors of an article published on the mainland in 1988 that advocated the establishment of a civil or civic society (*gongmin shehui*), bemoan the fact that people down to the end of the Qing dynasty were "subjects" (*chenmin*). Even after the 1911 Revolution and the enshrinement of "the people" (*renmin*) and "citizens" (*guomin*), Liu and Wang argue, these republican ideas "still carried [the sense of a traditional] dependency on the state."[17]

This characterization of the respective status of Qing subjects and Republican citizens overestimates the importance of traditional obstacles to the sort of modern social and political action described above. But it also captures the sense of "dependency" that was seldom absent from political thought and action in the late imperial era and never completely eliminated in the 20th century. Urban Chinese were actually well positioned to voice their views on public issues and act in concert. At the same time, the state was anxious to control and manage citizen participation, a goal even self-conscious and self-interested groups did not normally oppose in principle.

An example of the continuing power of this combination of dependency and autonomy is the rise of "professional associations" (*fatuan*) in the late Qing and early Republican period. First formed in 1903, these chambers of commerce, bankers' associations, and lawyers' associations were organized both in recognition of the existing activism of local elites and of the need to guarantee their loyalty. These *fatuan* became the most powerful nongovernmental bodies in many cities and towns; they received seals and authorizing documents from the government and were subject to regulation by the Ministry of Agriculture and Commerce.[18] As Keith Schoppa has pointed out, in this program of "politicization by government edict . . . official rule [*guanzhi*] had co-opted elite proponents of self-rule [*zizhi*]."[19] Local elites, including "gentry" degree-holders as well as merchants, had been harping on the need for greater local autonomy for some time.[20] Now, these elites, long accustomed to managing their own communities, found themselves given a new legal status as members of formal associations by a state anxious to gain new power over local affairs.[21]

From their inception and through the Republican period, the *fatuan* took on a double role, as an extension of state power and as a medium for crystallizing social interests. This occurred despite government attempts to make associations, such as chambers of commerce, dependent on official power and to restrict their activities to the narrow legal mandate to "maintain the stability of the market." Governments also tried to prevent additional groups from claiming *fatuan* status. The Beijing Student Federation had a long-running disagreement with the police in the 1920's over whether it was a *fatuan* and therefore entitled to hold meetings and discuss matters of concern to students.

For its part, an organization like a chamber of commerce sought to act independently as a representative of the merchant community (*shangmin* or *shangjie*) and city people (*shimin*) as a whole. Embattled chamber leaders defended "group autonomy" (*tuanti zidong*) against attempts by officials and warlords to encroach on merchant prerogatives. Chambers of commerce also performed official functions. This provision of public goods and services was sometimes done in cooper-

[14]Ibid.

[15]See Rowe, op. cit., as well as R. Keith Schoppa, *Chinese Elites and Political Change: Zhejiang Province in the Early Twentieth Century*, Cambridge, MA, Harvard University Press, 1982; and Mary Rankin, *Elite Activism and Political Transformation in China*, Stanford, CA, Stanford University Press, 1986.

[16]This is a major point of the recent "culture fever" (*wenhua re*) debate in China which explores the living tradition of despotism.

[17]Liu Zhiguang and Wang Suli, "From 'Mass Society' to 'Civil Society'," *Xinhua wenzhai* (Beijing), Vol. 11, No. 119, 1988, p. 9.

[18]Edward J. M. Rhoads, "Merchant Associations in Canton, 1895–1911," in Mark Elvin and G. W. Skinner, Eds., *The Chinese City Between Two Worlds*, Stanford, CA, Stanford University Press, 1974, p. 106.

[19]Schoppa, op. cit., pp. 7, 34.

[20]Mary Rankin notes the growing interest on the part of local elites in "self-help" (*zizhu*) by the 1890's and argues that it "had connotations of autonomy that foreshadowed the issues of self-government (*zizhi*) that arose in the 1900s." Op. cit., p. 129.

[21]See Susan Mann, *Local Merchants and the Chinese Bureaucracy, 1750–1950*, Stanford, CA, Stanford University Press, 1987, for a discussion of the long evolution of "liturgical" (Max Weber's term) governance by merchants in cooperation with nonserving degree-holders.

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ation with official agencies like the police, sometimes in cooperation with other private individuals and groups, and sometimes alone. *Fatuan* leaders often had ties to government officials and higher-level political factions. They were formally dependent on the state for their authority, but their political base was firmly grounded in the social group or groups they represented. Modern Chinese citizens are the recipients of this mixed legacy of dependence and autonomy. They remain vulnerable to state ideology and control and yet have attempted (with varying degrees of success) to protect themselves from state power through myriad social ties and connections.

Despite its constraints and limitations, locally based politics in the late Qing and early Republican periods appears to have shared some of the critical dynamism found in late 18th-century and 19th-century European cities such as Paris and London, where salons and coffeehouses produced a steady stream of independent commentary about politics.[22] Jürgen Habermas has written extensively about the development of this new European social basis to politics, arguing that it marked the emergence of a "public sphere" (*Öffentlichkeit*).[23] In the 1920's, a similar public sphere was developing in Beijing. Although the Chinese capital lacked London's coffeehouses, it had intellectual salons as well as locality inns (*huiquan*) with their locality clubs [*tongxianghui*), merchant and craft guilds, bathhouses, restaurants, teahouses, brothels, public parks, pavilions, and temples which functioned as mini-convention centers for guilds and political groups. These social organizations and spaces hosted and housed a lively associational and public life.

But how far to extend the comparison? The existence of a European public sphere assumed a clear distinction between state and society and between public and private realms. Private individuals, newly empowered by capitalism and a sense of social autonomy, were able to wrest control of the public sphere away from princely authority. In Habermas's terms, "publicity"—the traditional commitment to advertisement of rank and status—was displaced by "rational-critical debate"—a modern commitment to advancing a point of view or interest—buttressed by the private control of public institutions like newspapers.[24] Along these lines, Rowe points to evidence of a less dramatic, but nevertheless detectable, division between the public and the private in late imperial China. The "traditional dichotomy between private [*si*] and public [*gong*] came to be muted by a growing belief that private interest, if sufficiently enlightened, could simultaneously serve the interests of society."[25] Hankou merchants lived by this principle, the notion that one can "consider righteous conduct as profitable [*yiyi weili*]."[26] Of course, this is not the same as saying profits themselves are righteous or that private points of view or interests have a privileged claim on public discourse. But it is moving in that direction.

Private interests and an autonomous sense of self, both of which supported entry into the public sphere, were in turn rooted in the group basis of premodern Chinese civil society. Guildsmen from Huizhou or students from Shandong naturally tended to club together. A Western progression from individual interest to group affiliation to public voice could be easily rearranged in the Chinese case to begin with the group and progress to individual action on behalf of self, group, or larger cause. During the May Fourth era, the most powerful claims made in and through the public sphere were corporate rather than individual or strictly private. These corporate bodies included old organizations like guilds and locality clubs and new ones like labor unions and student federations. Thus, they were committed to both the realm of "feudal" publicity and to the realm of rational-critical debate. Following established civic traditions, these organizations not only provided a cloak of legitimacy for private interests, they also appropriated, when possible, government functions.

In the Republican period, they commonly assumed a quasi-governmental role. For example, chambers of commerce, student and labor unions, and any other group with territory and interests to defend maintained their own militia, pickets, bodyguards, and thugs. While the inability of the Republican state to monopolize the means of violence was a signal failure and sign of "warlordism," it can be argued that the devolution of government functions to private groups in this and other areas (like the provision of welfare services) was also a sign of strength and resilience on the part of society.

This kind of social autonomy had direct political consequences. In 1919, shortly before the May 4th Incident, representatives of journalists, merchants, members of parliament, and students organized a Beijing "Foreign Affairs Association" (*waijiao xiehui*) in order to lobby the government on the Shandong issue. This was an illegal organization despite the fact that it represented officially chartered associations like the chamber of

[22]Jürgen Habermas, *The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society*, Cambridge, MA, MIT Press, 1989, pp. 31–43.

[23]Ibid.

[24]Ibid., p. 7 (for publicity as a "status attribute"); also p. 188.

[25]Rowe, op. cit., p. 61.

[26]Ibid.

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commerce. Nonetheless, the social status of the notables involved and the legal standing of the organizations it represented gave the body quasi-legal standing. Accordingly, the government finally agreed to receive its representatives.

After May 4, the Foreign Affairs Association was active in organizing further protests and in cooperating with student demonstrators. It called for a rally in Beijing's Central Park on May 7, the fourth anniversary of Japan's hated "Twenty-One Demands," which represented another infringement on Chinese sovereignty. Thousands of residents converged on Changan Avenue and the park entrance at the appointed hour only to be blocked by 2,000 police, cavalry, and soldiers. The leaders then tried to hold the meeting outside Tiananmen, but soldiers prevented them from doing so. Demonstration leaders finally retired to guild halls located in the Outer City.

During the 1920's, police and soldiers often attempted to keep city people from using public spaces for political purposes. For example, they would cordon off the space outside Tiananmen (which at that time was not a "square" in a formal sense but a walled-in area dotted with trees), run fire drills there, hire entertainers to distract people's attention, or, even, as part of a long-term strategy, plant more trees to displace demonstrators. But as a general rule, the authorities refrained from attacking the corporate bodies themselves (short of placing them under a kind of "house arrest" by surrounding, say, a college campus). A tradition of corporate self-regulation gave citizens a base from which to voice their demands. Even though citizens could not depend on their constitutional rights being enforced, belonging to an established group provided a modicum of protection. In this fashion, a modern, public politics was built upon the network of affiliations associated with China's premodern civil society.

Why did the state show such restraint toward such groups? Although warlord regimes of the time were weak, repression was one thing itinerant generals and their troops could do pretty well (to echo a comment made about China's government today). Certainly, limits on the intrusion of the state into the public realm were not the result of constitutionalism or liberal values. Part of the answer may lie in the impressive foundation for social communication alluded to above: the huge number of places to meet and the long list of organizations capable of being put to political use. (One can pick up any guidebook for the period for a sense of available venues.) But the most important reason has to do with the dual function of public bodies and the double meaning of "public" in the modern Chinese tradition. As Mary Rankin has shown in her recent study of Zhejiang in the post-Taiping period, when local elites carved out a bigger role for themselves as managers of local society, they made themselves indispensable to their communities and to officialdom.[27] At the same time, they began to take a lively interest in broader public affairs. Local degree-holders attacked corrupt and arrogant officials, calling them "bandits," and deplored the apparent willingness of the government to appease the foreign powers.[28] In the 1920's, chamber of commerce leaders and others joined with students and intellectuals in voicing these same complaints as well as others associated with the rise of the new affliction of warlordism.

Governments, at least in the short run, could easily dismiss criticism. It was not so easy for them to dispense with the order, and the social services related to order, that local elites and the organizations they headed traditionally provided in Chinese society. No doubt, government ministers or warlords disliked hearing the bitter complaints that came out of local chambers of commerce on issues ranging from foreign policy to money supply. But governing a city, or sojourning in a city as a government body, without a cooperative chamber of commerce or bankers' association, was not an attractive alternative. Without the cooperation of these quasi-governmental bodies, a powerholder would have been forced to do more than collect taxes, or take the taxes the chamber of commerce collected for him. Lacking the constitutional rights associated with a free society, local elites and the constituents they represented relied on a strong claim to social indispensability to defend and advance their views and interests.

Having suggested the extent of the public sphere's influence during this period, and its peculiar corporate nature and quasi-governmental status, I would like to look at some of its other, special characteristics, which determined its limits and fragility as well as its power. First, despite the relative autonomy of *fatuan* and other corporate bodies, chamber of commerce leaders could be arrested on trumped up charges like embezzlement of corporate funds, and newspaper editors could be shot for attacking a warlord in print. Both the Nationalists and Communists were as illiberal as warlord strongmen in this regard. The politically festive air of Republican cities could easily give way to carnage. Just as the May Fourth Movement prefigured the 1989 pro-democracy movement, the unprovoked attack by the bodyguards of warlord politician Duan Qirui that

[27]Rankin, op. cit.
[28]Ibid., pp. 133, 147–169.

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killed 50 peaceful protesters and wounded 200 more in Beijing on March 18, 1926,[29] to mention just one example, provides a precedent for the bloodletting of June 4, 1989. Such limits on the use of coercion by governments and parties as existed were more often the result of political stalemate—a rough sort of pluralism by default—than of acceptance of constitutional rules of the game.

One of the results of this vulnerability was the prevalence of "soft" organizations, the best examples of which were the peace preservation associations (*zhian weichi hui*). These associations governed Beijing and other cities in times of military emergency, when one government had fled and the next had yet to arrive. They were made up of local notables like ex-premiers, bankers, or chamber of commerce presidents. If warlords attacked them, they simply packed up and went home, first taking out an advertisement in the newspaper saying the situation was impossible. These soft bodies functioned a bit like the collapsible barriers and dividers built on superhighways to limit damage to everyone involved in a crash. Similarly, if the chamber of commerce itself came under pressure, members could abandon it for a guild or locality club, or retreat further to shop or compound. Individuals who were prominent or notorious enough fled to the foreign-controlled Legation Quarter or took a train to Tianjin, the nearest port city. When the pressure eased, the abandoned organizations could be redeployed and reinflated with individuals of suitable status and position. "Civil society" did not draw a line in the dirt and dare the state, or some state-like entity, to step over it. That would have been foolhardy. It might also have been one of the few ways of giving real substance to the ideas of self-government that were all the rage in the 1920's.

Another factor that limited the critical power of the public sphere related, ironically, to the tremendous success of the May 30th Movement of 1925 in mobilizing city people to participate in mass politics. This movement, like the May Fourth Movement, was triggered by an imperialist outrage (in this case the killing of Chinese civilians by foreign-led police in Shanghai). But while it followed the May Fourth pattern of student-led protests, the May 30th Movement was able to draw far broader participation by city people. The biggest rally of the movement in Beijing took place on June 10, 1925, when a hundred thousand people gathered outside Tiananmen and rallied around a central stage occupied by Nationalist and Communist politicians (allied at the time in a united front). More than 150 groups participated, including the chamber of commerce, guilds, clubs of radical intellectuals, student unions, and worker organizations. Most carried banners showing their affiliation. Participants such as merchants, teachers, workers, students, and journalists were further divided into various "circles" (*jie*) placed at the corners of the square.

The May 30th Movement displayed a kind of "spontaneous regimentation" in which participants appeared with workmates and schoolmates in impressive order. Indeed, the assemblies outside Tiananmen were a visual representation of much of organized urban society. Although individuals were encouraged to attend, most people came with their group. In addition to offering protection, group affiliation provided the kind of vertical connections to bosses and patrons and horizontal ties to colleagues and comrades necessary for the rapid mobilization of crowds. Craftsmen arrived under the leadership of their labor bosses, and merchants and shop clerks came under the auspices of hierarchically organized guilds.

The ideals of equality and inclusiveness conveyed by the "Citizens Assembly" banner that dominated the center of the demonstration were thus offset by the elitist and exclusive nature of many of the participating groups. The demonstrations outside Tiananmen and the marches that wound their way around the city had more than a little in common with medieval European processions, which by their corporate character, not only presented a show of unity but also pointed up the deep divisions among groups and classes.[30]

In May Fourth–era Beijing, the expression of public opinion included both criticism of state policy as well as a kind of "feudal," corporatist devotion to publicity. Mass nationalism and corporate identity were both conveyed with equal fervor. In some cases, shoving matches broke out among work groups over who had precedence in rank. Guild participation in nationalistic rallies sometimes precipitated factional struggles pitting one group against another, for example, the native Beijing water carriers versus water carriers from Shandong province. Mixed in with messages of moral equality for all citizens were clear indications of the many barriers separating city residents from each other and the importance of factional and clientelistic ties in organizing mass politics.

The presence of so many politically conscious groups insured that frequent and intense conflicts

[29]For a comparison of March 18, 1926, and June 4, 1989, see Geremie Barmé, "Blood Offering," *Far Eastern Economic Review*, June 22, 1989, p. 37.

[30]For an interesting discussion of elements of community and conflict intrinsic in medieval European festivals and processions, see Mark Girouard, *Cities and People: A Social and Architectual History*, New Haven, CT, Yale University Press, 1985, pp. 73–84.

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Chinese cotton workers on strike in 1925.

—UPI/Bettmann Newsphotos.

would occur among guilds within the chamber of commerce, among unions within labor federations, among student groups within student federations, and among rival labor gangs. The result was a good deal of public conflict: strikes, lawsuits, demonstrations and counter-demonstrations, and denunciations of opponents in the press. Streetcar workers plastered placards on the cars that they operated that denounced their adversary of the moment: Chiang Kai-shek because his bodyguards had crashed into a streetcar; the city's Buddhists because they wanted the workers to vacate a temple the latter were using as a school; or soldiers who refused to pay their fares and attacked conductors when challenged. Even a moment of apparent unity like a patriotic political rally could be suddenly broken by jostling on the podium or in the crowd. A public show of harmony frequently set the stage for the next scene in which cooperating parties would vigorously attack each other.

Accordingly, the social topography of Beijing was fairly jagged. Outposts of corporate solidarity stood out like clan towers forming the skyline in medieval Italian cities. The fact that university students, cobblers, bankers, and journalists assembled in the space outside Tiananmen to represent themselves as citizens or townspeople suggested a powerful but highly tentative social formation. These movements challenged regimes without providing an alternative to warlord rule, save the existing and demonstrated capacity for local, often highly fragmented self-management.

In a sense, this ability to dispense with or ignore government had an anarchic quality to it. But any tendency toward anarchy was more than compensated for by the fundamental social conservatism of most groups to which individuals desired to belong. Workers aspired to join guilds or guild-like unions. Merchants hoped to keep their corporate privileges intact. Even radical politicians were infected by habits of corporate self-regulation and defense.

Popular Movements Prior to 1949

The popular movements described above that emerged from the context of group life and public politics tended to display either a structure based on a distinctive "rhetorical construction" that made politics into a morality play done in Beijing opera style or one based on an organizational framework that mixed clientelism and group solidarity.[31] Beijing opera explores political themes like loyalty and dissent in set-piece dramas of great power and subtlety, utilizing rigorously defined theatrical and musical devices (including elaborate masks and costumes). A gesture or a glance speaks volumes and provides a key both to the corpus of Confucian thought and to popular culture. The force of this kind of operatic imagery can be seen in one of the most famous May Fourth Movement motifs: the student on a street corner passionately lecturing to fellow citizens on the need for patriotism, democracy, and science. The content of the student's lecture was new, but the form was old. On the stage of the Beijing opera, the speaker or singer would probably be an aged, loyal minister. On the stage of Beijing streets and avenues in 1919 and afterward, educated youth became China's moral conscience. In the process, students appropriated the traditional style of social criticism that had been the province of the educated elite for centuries: remonstrance to the throne. In a sense, the students did this by way of openly representing society against the state. In 1919, the students were conspicuous by their presence outside Tiananmen, in the public parks, on street corners, and in the new amusement arcades. Their actions were reported in all the papers and broadcast by

[31] In an appraisal of new approaches to the study of social movements, Allen Hunter notes "important contributions in the 'linguistic turn,' emphasizing non-economic motivations, the fluidity of social contexts, the power of language, and the rhetorical construction of social movements and cultural trends . . . ." Hunter, "Post-Marxism and the New Social Movements," *Theory and Society* (Dordrecht, Netherlands), Vol. 17, 1988, p. 885. Comments made to me by Paul Cohen on the operatic nature of the 1989 protests stimulated my thinking on the opera analogy.

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telegraph from city to city. But students also profited from a pre-existing, palpable sense of a "moral climate" that made the confrontation between ruler and ruled an intimate, unmediated affair, which could be shared not only with fellow heirs to the literati role but also with ordinary spectators and newspaper readers.

In the imperial period, it had been possible for a junior official remote from the capital to fire off a memorial attacking the moral failings of throne and officialdom. Although the official ran the risk of flogging, exile, or death, he also attained instant fame as a moral hero.[32] Ascent up the impossibly steep slope of the political summit thus could be accomplished with a few strokes of a brush (despite the obvious risks of tumbling back down). In this way, the "high center" of imperial power was surprisingly sensitive to the privileged voice of the Confucian elite, or anyone passionately convinced his or her voice must be heard.[33]

Frederic Wakeman, commenting on the 1813 Eight Trigram Rebellion of millenarian Buddhists, notes how an unexpected fold in the moral fabric of the empire could suddenly bring a ruler and even his humbler subjects face-to-face:

The striking image of villagers walking into Peking from their farms to storm the palace gates suggests the convergence of rural society and urban polity—at least in this one bloody moment of rebellion.[34]

In this case, the "dialogue" was symbolic and violent—with the servants and publicists of the empire killing and being killed by the publicists of millenarian prophecy. The sudden convergence was possible because of the way in which the imperial government could provoke lese majesty among itinerant religious practitioners as well as degree-holding officials.[35]

For the May Fourth students, citizenship and republicanism, as well as democracy, broadened the audience for their actions, but old notions of hierarchy and majesty sharpened and shortened their line of attack. Ancient voices of censure and doom joined the modern sound of youthful radicalism. Officials were shamed in the streets and in the press and, occasionally, bloodied in their homes or limousines.

In 1925, city people who were not students (contemporary newspaper accounts of the May 30th demonstrations often described the mixed composition of demonstrations with the phrase "students and city people") could share these political techniques in several ways: vicariously, by accepting student leadership; directly, by imitating May Fourth tactics (in 1925, bricklayers and carpenters sent out their own lecture brigades); and sympathetically, by replicating the common motif of moral confrontation in their own neighborhoods and workplaces. When workers had a labor boss or employer whom they despised, they not infrequently mounted a campaign designed to demonstrate the individual's lack of moral legitimacy. Grumbling could quickly escalate to denunciation by an individual representing the group (an apprentice or skilled worker), or the work force as a whole. Such an outburst of criticism over bad food, ill treatment, or corruption could then provoke a reaction, often violent, from the targeted employer or his retainers. In the end, the fight might land in the hands of the neighbors, the police, the courts, the newspapers, or a combination of these interested parties. The similarities among these traditional and modern political and social dramas stem less from conscious imitation (such practices certainly predate May Fourth) than from the existence of a moral climate that armed participants with the language of remonstrance and retribution.

A second feature of 20th-century protest movements that determined the course they cut through social and public life was the clientelistic or "vertical" nature of popular mobilization. Even radical labor organizers, who were predisposed to "mass" mobilization, found it necessary to act as patrons for workers and find, in turn, their own protectors. Early frustrations in penetrating the barriers represented by labor bosses and guildsmen to reach individual workers gave way to limited successes once Beijing Communists formed an alliance of convenience with warlord Wu Peifu in 1922. Wu's patronage allowed Beijing-based Communists to

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[32]See the account of the attempted impeachment of an imperial tutor in Ray Huang, *1587: A Year of No Significance: the Ming Dynasty in Decline,* New Haven, CT, Yale University Press, 1981, pp. 23–24, as well as Huang's chapter on the famous case of Hai Rui.

[33]According to Benedict Anderson, "Kingship organizes everything around a high centre. Its legitimacy derives from divinity, not from populations, who, after all, are subjects, not citizens. In the modern conception, state sovereignity is fully, flatly, and evenly operative over each square centimetre of a legally demarcated territory." Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism,* London, Verso, 1983, pp. 25–26.

[34]Frederic Wakeman, "Rebellion and Revolution: The Study of Popular Movements in Chinese History," *Journal of Asian Studies* (Ann Arbor, MI), February 1977, pp. 210–11. Wakeman is commenting on Susan Naquin, *Millenarian Rebellion in China: The Eight Trigrams Uprising of 1813,* New Haven, CT, Yale University Press, 1976.

[35]For scholar-officials, lese majesty could include the charge of "extreme indecorum" (*Da bujing*). See the case of Hong Liangji, an 18th-century official who criticized his superiors and the emperor "although his official rank did not warrant his doing so." He was sentenced to beheading, but the emperor reduced the penalty to exile. He was pardoned two and one-half months later after a (successful) effort to end a drought in the Beijing area. Tu Lien-che, "Hung Liangchi," in Arthur Hummel, Ed., *Eminent Chinese of the Ch'ing Period,* Washington, DC, US Government Printing Office, 1943, p. 374. I am indebted to Iona Crook for bringing this case to my attention.

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organize railway workers in north China. Dependence on Wu brought this union activity to a bloody end, however, when in 1923 the warlord decided to crush a railway strike.

Eventually, by the mid-1920's, both Communist and Nationalist labor organizers overcame earlier obstacles to reaching the workers by mimicking or co-opting guild and guild-like organizations. Since workers tended to be already organized, often informally, by shop or work gang, these small units in turn could be assembled into neighborhood or district bodies (*kouzi*). Even at this relatively "high" level—representing, for example, the western suburb of the city or the eastern section of Beijing's Inner City (*neicheng*)—labor organizations typically remained informal. Teahouse meetings of leaders and followers were sufficient to coordinate collective action on issues like wage demands. These territorial units might join together in a citywide guild unless differences over turf, reinforced by sub-ethnic divisions (by province or county of origin), prevented a formal organization from being formed. Mobilization for strikes, protests against new taxes, feuding among rival groups, and participation in nationalistic movements followed along the vertical connections drawn from work group to citywide organization and beyond. Thus the power of popular movements depended not only on group solidarity at some level (ranging from a crowd of vegetable workers who took revenge against soldiers who had beaten one of their number, to a mass of tens of thousands of rickshaw men who attempted to destroy their arch rival, the streetcar system, in 1929) but also on the ability of outsiders and insiders to make connections.

Finally, the success, or failure, of popular movements in the post–May Fourth period often turned on the actions taken by local leaders. For example, when the Beijing streetcar company was about to open for business in late 1924, rickshaw men and the garage owners who rented vehicles to them, hoped to win generous compensation from the company. Their chief advocate and patron in this effort was a roast duck restaurant owner named Sun Xueshi who also happened to be president of the chamber of commerce. Sun met with the pullers in a mass meeting and informed the police (and through the police the company) that if the cars started running without an acceptable compensation package, the rickshaw men would protest by lying down on the tracks. Quick work by the streetcar company managed to mobilize their patrons and supporters (warlord-politician Duan Qirui and an influential group of bankers and investors) to intimidate Sun into backing down. Thus, instead of leading his troops into confrontation, Sun accepted mediation and a settlement unfavorable to the rickshaw trade.

By contrast, in 1929, the rickshaw men had a new patron, Zhang Yinqing, the local leader of a left-wing Nationalist Party faction. Rickshaw men also had a heightened sense of solidarity and a cadre of rickshaw puller union officials at the neighborhood level. At a critical moment in 1929, when Zhang's faction was locked in a bitter leadership struggle with a rival right-wing Nationalist group, his rickshaw puller followers seized the opportunity to smash the streetcars. Tens of thousands of club-wielding pullers were led in their Luddite outburst by lower-level union cadres. Free at that moment from the mediating efforts of elites and deprived of the opportunity for redress within the public sphere of debate and discussion, actors within this civil society were able to behave in an uncivil, yet highly expressive manner.

Popular Movements After 1949

Until recently, it made sense to treat the late Qing and Republican periods (roughly, from the 1860's through the 1940's) as a transition bridging the late imperial political order and state socialism. During this turbulent epoch, key elements of modern Chinese politics were invented, imported, and adapted: an enlarged public domain, an intrusive state, republicanism, citizenship, nationalism, and, finally, Leninism. It remained for the Communists during their revolution, and after 1949, to assemble the final product. Or so it seemed. But now, given the Communist leadership's inability to settle the succession issue and the loss of legitimacy stemming from the failures of Mao's revolution and Deng's reforms, state socialism can be more clearly understood as part of a great interregnum stretching from the 19th into the 21st century.

Reopening the book on political transition does not mean that every post-Taiping value, institution, and practice suppressed by the Communists is suddenly retrievable. The Communist attack on the private and corporate basis of civil society destroyed the power of clan, guild, and *fatuan*. The traditions of protest remain, however, partly because of the Communists' desire to preserve the May Fourth Movement as a legitimating symbol but also because of the deeply imbedded nature of remonstrance and retribution as a cultural form. Of course, to be sustained, the rhetoric of Chinese protest, in classic and in updated May Fourth style, requires a social base. The reforms of the Deng era, particularly in the areas of market reform, enterprise autonomy, and greater cultural openness, in combination with the institutional and informal legacies of the Maoist period, have made the reemergence of civil society possible.

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From the 1950's through the mid-1970's, popular participation in the People's Republic was of four basic types. First, the CCP organized citizen involvement in public affairs through campaigns and unit-based activities. This type of participation, ranging from parades and rallies in Tiananmen Square (which in the 1950's had been enlarged to accommodate the Busby Berkeley–like mass rituals of state socialism) to political study sessions in schools, offices, factories, and villages, was carefully choreographed and managed.

Second, citizens, who were by and large denied the chance to pursue their interests directly, cultivated personal connections with party cadres in order to manipulate and deflect state power. No matter how much and how often clientelism was denounced as corruption, these vertical connections survived and flourished.

Third, for a brief period of time during the Cultural Revolution—when the CCP was prevented from administering participation—a mix of spontaneous political action (overthrowing school presidents and other unit leaders) and a use of old and new patron-client ties, generated fierce factional struggles at all levels.

Fourth, on several occasions, dissidents inside and outside the CCP attempted direct criticism of the regime. For example, in 1957, during the "Hundred Flowers" campaign, students, intellectuals, and workers delivered a backlog of accumulated complaints to the regime. In the 1970's, young workers, many of whom had participated in the Cultural Revolution as Red Guards, began the wall-poster critique of Mao and his regime that culminated in the Democracy Wall Movement of 1978–1979.

Discontinuities with the pre-1949 period are most obvious if one focuses on party-directed participation. The old imperial and republican balance between dependency on the state and autonomy for the group was upset by Leninism. The group itself—a team of peasants, workers on the factory floor, a class of students—became an administered, if not administrative, unit. However, in the areas of clientelism, factionalism, and dissidence, the continuities are clear. Party officials became the patrons of political machines based on the village or on factory or other urban units.[36] The vertical nature of these local networks and splits among rival patrons made factionalism endemic. Individuals who recoiled against Leninist autocracy or the corruption that attended the party's monopoly of power took principled, often lonely, stands against abuse of power.[37]

The January 1976 death of Zhou Enlai and the massive, angry demonstration that took place in Tiananmen Square on April 5 to memorialize him and criticize Mao's wife Jiang Qing and her coterie of supporters, triggered the rebirth of the May Fourth style of independent protest. Dissent on the part of individuals and small groups stood against the backdrop of crowds on the square and a hint of what might yet become "public opinion." Subsequent protests in Beijing and other Chinese cities in 1978–1979, 1985, and 1986–1987 were largely confined to democracy activists and students. The public was attentive, but uninvolved in the protests themselves.

Thus, the pro-democracy demonstrations of 1989 represented a dramatic enlargement of the scope of dissent. The core of students was there as it had been in 1919 and 1986, but the students now were joined by hundreds of thousands of people from all walks of life. Andrew Walder notes that by the middle of May 1989, the "entire population of Beijing was seemingly united in effective resistance against the hard-liners' refusal to negotiate with students, and broad sectors of party and government were in open defiance."[38] According to Walder, a sudden weakening of the regime, marked by disunity at the top and scattered but widespread defi-

[36]For recent portrayals of rural and urban politics as essentially clientelistic, see Jean C. Oi, *State and Peasant in Contemporary China: The Political Economy of Village Government*, Berkeley, CA, University of California Press, 1989; and Andrew G. Walder, *Communist Neo-Traditionalism: Work and Authority in Chinese Industry*, Berkeley, CA, University of California Press, 1986. Walder stresses discontinuity between the pre-1949 and post-1949 periods on the issue of clientelism. He argues that the material resources at the disposal of a factory cadre (housing and social services as well as wages and bonuses) and the ideological nature of control strategies employed in the PRC are qualitatively different than the kind of assets and strategies available to labor bosses in pre-1949 factories. However, the differences are less striking if one compares socialist factories to earlier guild-based production. Like the socialist factory, guilds (which survived well into the 1950's in Chinese cities) typically combined residence and workplace, provided a range of social services (loans, relief, and a coffin in the event of sudden death), and deployed an "ideology" in the form of religious observances and the celebration of corporate solidarity.

[37]Examples of individual dissent are legion. One might begin with critics of Communist policies during the Yan'an period like writers Wang Shiwei and Ding Ling; continue by noting Confucianist Liang Shuming's 1953 attack on Communist economic policies; university student Lin Xiling's defense of persecuted writers in 1957; the wall poster attack on tyranny in 1974 by Wang Xizhe, Li Zhengtian, Chen Yiyang, and Guo Hongzhi; Wei Jingsheng's 1979 criticism of Deng Xiaoping; and, more recently, demands for democracy by physicist Fang Lizhi. For details on several of these cases, see Gregor Benton, Ed., *Wild Lillies and Poisonous Weeds: Dissident Voices from People's China*, London, Pluto Press, 1982; Guy S. Alitto, *The Last Confucian: Liang Shu-ming and the Chinese Dilemma of Modernity*, Berkeley, CA, University of California Press, 1979; Roderick MacFarquhar, *The Origins of the Cultural Revolution 1: Contradictions Among the People 1956–1957*, New York, Columbia University Press, 1974; Anita Chan, Stanley Rosen, and Jonathan Unger, Eds., *On Socialist Democracy and the Chinese Legal System: The Li Yizhe Debates*, Armonk, NY, M. E. Sharpe, 1985; and Roger Garside, *Coming Alive: China After Mao*, New York, Mentor, 1982.

[38]Andrew G. Walder, "The Political Sociology of the Beijing Upheaval of 1989," *Problems of Communism* (Washington, DC), September-October 1989, pp. 39–40.

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ance below, coupled with popular dissatisfaction explains why the protests gathered such awesome momentum. Nevertheless, Walder argues against reading into the protests a direct analogy with Eastern Europe and the emergence of a militant civil society there:

It is tempting, but misleading, to characterize Beijing's popular rebellion as a movement by "society" against the "state." This characterization is much more appropriate for the decade-long struggle of Solidarity in Poland; the Beijing events are much more like the 1956 rebellion in Hungary. In Hungary, as in China, growing restiveness among students and intellectuals exacerbated existing divisions within the regime, and drew broad segments of the population into participation. China's ordinary citizens did not organize to force themselves onto the political stage; they used an opportunity created initially by students, and then opened wider first by the rebellion of intellectuals and later by defection by key parts of the government apparatus and the media.[39]

This strikes me as a sound rendition of events. China, of course, is not Poland. On the other hand, in the months after Walder made the above argument, rebellions took place in countries such as East Germany, Czechoslovakia, and Romania, where the regimes appeared, until the last moment, strong and unified. Dissidents in these countries had little or none of the independent social and political organization represented by Solidarity. And yet in a matter of weeks or days, roused by the flight of East Germans through Hungary to West Germany, police brutalization of student demonstrators in Prague, and the massacre of protesters in Timisoara, "society" toppled the "state." Perhaps the nature of society, or civil society, can be seen to differ substantially from country to country without losing the common denominator of independence, or potential independence, against state power that lies at the heart of the concept.

A New and Renewed Civil Society

Mayfair Yang has argued that civil society in China, which was "engulfed" by the Communist party-state after 1949, "is now re-emerging" as a result of economic reforms in the last decade.[40] Yang is careful to distinguish between civil society as a "realm of non-governmental private economic activities and sectional economic interests" and as a realm of "public and voluntary associations such as religious and cultural organizations, independent newspapers, occupational and professional societies, and local self-government."[41] She maintains that greater autonomy for private and collective (as opposed to state-owned) enterprises has made it possible for civil society in the first—i.e., economic—sense to reappear. The emergence of civil society in the second (contemporary East European) sense is blocked by the functioning of the Communist Party as a control mechanism.

Economic autonomy. In her study of a small, collectively-owned (rather than state or private) printing factory in Beijing, Yang found that the manager of the firm operated under pressures from above to conform to state plans and policies as well as demands from workers and staff below that he watch out for their interests. As a result, he and individuals like him are subjected to a "fundamental contradiction." Yang states:

He embodies and symbolizes both the state and the corporate group. Therefore, when he fails to enhance the corporate interest, it is against him as a representative of state interests that the workers direct their resentment. The confrontation between the workers and the manager must be seen in this light. It represents not simply a conflict between labor and management, or workers and officials, but a structural opposition between the corporate group and the state.[42]

Although the manager of a collective factory is not a government official, he acts in that capacity. He is also the patron of a community of workers who depend on him for protection. This ambiguity is a product of the reform of the socialist planned economy. It also continues the Chinese tradition noted above whereby official, public, and private realms interlock in complex, changing patterns. Is the factory studied by Yang located in the "state" or in "society"? When workers from that factory, or one like it, march to Tiananmen Square with a banner proclaiming their unit identity, is this a social movement against the state and a step toward civil society in Yang's second sense?

Walder, who focused on the degree to which the party-directed central apparatus remained intact during the Beijing protests, downplays the larger social and political significance of this kind of popular participation. Although in some cases, factory directors tried and failed to convince workers not to take to the streets, Walder argues that the workers did not demonstrate a

[39]Ibid., p. 40.
[40]Yang, loc. cit., pp. 36–37.
[41]Ibid., p. 35.
[42]Ibid., p. 55.

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capacity to organize and sustain a movement of their own. Blue- and white-collar workers either participated spontaneously in student-led actions or formed themselves into small bands who left their offices and factories to march under banners naming their place of work.[43] At least one autonomous organization of industrial workers, the "Capital Independent Workers' Union," publicly announced its formation, but, as Walder notes, we have little evidence to suggest that it was able to build a significant membership or to coordinate work actions in support of the student protests.[44] Walder assumes that factory managers would have been hostile to the kind of organizational work he associates with Poland's Solidarity. (Although he admits that some managers might have welcomed worker participation at Tiananmen as a means of keeping turmoil out of the factory itself).[45]

Yang's analysis introduces another possibility. That is, if managers of the kind she studied were already susceptible to worker pressures related to economic issues like wages and bonuses (and sensitive to larger problems, like inflation, that shaped worker responses to internal factory policies), why would they be immune to demands of a political kind? The weakening of party control over work units, which Walder documents, and the contradictions that Yang identified in the role of the basic-level manager together may suggest that a civil society waiting to be released already exists in China. Rather than focusing solely on the restrictions faced by activists in "building organization," we might consider the flexible power represented by this hibernating but periodically awakened giant.[46]

Yang's study identifies a growing potential for autonomy within Chinese society that is not, in the first instance, political. The existence of an economically determined autonomy, however, may help explain why the "spontaneous regimentation" evident among corporate groups in the 1920's suddenly reappeared in 1989.[47] A Japanese reporter described the vast crowds of May 1989 as having this kind of group structure:

One major feature of the groups of demonstrators, including workers and citizens who have crowded into the streets, is that they are organized by their job sites. Staff members from various plants, state agencies, or local people's governments have joined in the demonstrations with banners indicating the names of their job sites.[48]

In a similar vein, a Hong Kong journalist noted that "the demonstrations are not as spontaneous as they first appeared . . . . it is inconceivable that [so many] workers from one plant could have turned out on the same day without any implicit approval from officials and cadres."[49] Based on Yang's evidence and argument, we might conclude that access to such "implicit" support is now a structural feature of many urban enterprises. The fact that some workers were actually bused to the square by their units even suggests the existence of "explicit" support at the height of the movement.[50]

Political autonomy. There remains the question of whether a civil society of the second kind, in which associations and institutions make a "public sphere" possible, is also emerging in Chinese cities. There are indications that this is the case. The new ease of social communication found in China in the 1980's certainly facilitated the development of the pro-democracy movement. Since the spring of 1988, university students have conducted "democracy salons," which made unofficial debate within their schools possible.[51] At least until June 1989, students had made these places safe for discussion, perhaps with the implicit support of university officials. Student activist Shen Tong explained the origin of his salon, "The Olympic Institute," by noting that "student organizations have always been a safe haven for intellectuals, a place for free thought and discussion."[52] During the demonstrations themselves telephone traffic, personal computers, and facsimile machines made the exchange of ideas within China and with the outside world rapid and relatively free.[53] Newspapers like the Shanghai *World*

[43]*China Daily* (Beijing), May 29, 1989, in *FBIS-CHI*, May 22, 1989, p. 81. As a result, one-third of the ten thousand workers at a machine tool factory walked off the job.

[44]Walder, loc. cit., p. 35.

[45]Ibid., p. 37.

[46]Walder's stress on extensive social and political control of workers is most germane to an appreciation of permanent workers in state enterprises (different in important respects from the smaller-scale, rapidly-growing sector Yang has studied). See Elizabeth Perry, "State and Society in Contemporary China," *World Politics* (Princeton, NJ), July 1989, p. 584. Perry argues (p. 585) that "state autonomy, i.e., the capacity to implement and enforce policies in the face of potential opposition, may vary dramatically from one social sector to another."

[47]See Solinger, loc. cit., p. 622.

[48]Tokyo NHK, May 17, 1989, trans. in *FBIS-CHI*, May 17, 1989, p. 52.

[49]Quoted in Solinger, loc. cit., p. 627.

[50]Hong Kong AFP, May 19, 1989, in *FBIS-CHI*, May 19, 1989, p. 36. A "section of shops" within an internal combustion plant had sent 300 workers by bus, and a pulp-and-paper factory had done the same.

[51]Solinger, loc. cit., p. 623.

[52]Quoted in "Chinese Writers Under Fire: The Struggle for Human Rights in China," *PEN American Center Newsletter* (New York), December 1989, p. 17.

[53]Walder, loc. cit, pp. 36–37. "The rapid growth of these means of communication has clearly outpaced the capacity of the authorities to monitor them."

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Members of the Autonomous Student Union of Beijing Universities and Colleges wave their banner on the Monument to the People's Heroes in Tiananmen Square on May 4, 1989, in a massive demonstration commemorating the May Fourth Movement and protesting the government's refusal to meet with independent student representatives.

—Reuters/Bettmann Newsphotos.

Economic Herald and the Beijing *Science and Technology Daily* carried articles critical of the regime and sympathetic to the protesters.[54]

Some of this public discussion, as well as the technological and social basis for an emergent public sphere, grew out of regime-sponsored economic reforms. The relationship between economic change—especially the growth of privatization, commercialization, and entrepreneurship—on the one hand, and political activism, on the other, is complex and controversial. Despite the fact that outside observers have been skeptical about the likelihood that farmers and urban entrepreneurs would use their new wealth as a springboard to political action, some democracy activists have expressed the hope that they would do so.[55] In the early phase of the pro-democracy movement, dissident writer Wang Ruoshui told a reporter that his hopes for strengthening the independent role of intellectuals in China were pinned in part on the willingness of private enterprises like the Stone Corporation, a Beijing computer company, to fund cultural activities.[56] He argued that although these private enterprises "had a relationship with the state," they would at least supply intellectuals with "a definite [independent] space."

As it happened, the Stone Corporation did become heavily involved in the pro-democracy movement through its support to students on the square and as an organizer of the attempt to lobby members of the National People's Congress to rescind Premier Li Peng's martial law order.[57] Prior to the pro-democracy movement, intellectuals on the staff of the Stone Corporation had played a prominent role in promoting reform. On the eve of the first student demonstrations in April, a researcher from the company joined other university-and institute-based intellectuals in calling for political and economic reforms at a conference of young social scientists in Beijing. Participants at the conference noted that a shortage of positions for young intellectuals in government units had led them to take jobs in "non-government institutions, such as large enterprises."[58]

However, just as state-controlled units like the collective printing factory described by Mayfair Yang can take on a corporate or even private dimension, private organizations, as Wang Ruoshui acknowledged, tend to be dependent on the state. For example, in recent years, numerous privately run institutes studying public opinion have begun operations in China.[59] As Stanley Rosen points out in his study of these polling and survey research organizations, the "private centers have a

[54]Ibid., p. 38.

[55]For a well-argued expression of such skepticism, see Nina P. Halpern, "Economic Reform and Democratization in Communist Systems: The Case of China," *Studies in Comparative Communism* (Los Angeles), Summer/Autumn 1989, p. 150.

[56]Nan Fangshuo, "A Look at the Mainland Democracy Movement on a Visit to Beijing," *Chiushih Nientai* (Hong Kong), April 1989, p. 37. Wang also mentioned the Capital Iron and Steel Corporation as a source of support.

[57]Andrew J. Nathan, "Chinese Democracy in 1989: Continuity and Change," *Problems of Communism*, September-October 1989, p. 16.

[58]*China Daily*, Apr. 12, 1989, in *FBIS-CHI*, Apr. 13, 1989, pp. 19–20.

[59]Stanley Rosen, "Public Opinion and Reform in the People's Republic of China," *Studies in Comparative Communism*, Summer/Autumn 1989.

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complex relationship with officialdom . . . which says much about the partial development of privatization in post-Mao China."[60] Most of the institutes are dependent on government contract work and are therefore vulnerable to pressure. Even though they are "private," they must be registered with a state organization and seek government approval for the topics they pursue.

Intellectuals are keenly aware of the cross-pressures generated by the mixture of autonomy and dependence in the same organization or the same role. Part of Deng Xiaoping's reform program accepted the need to give writers, scientists, and other intellectuals more freedom to do their work. They were, in effect, "licensed" to participate in public life as an extension of their professional activities.[61] At the same time, one's status as an intellectual and the freedom to create or criticize remained as much a gift from the state as it was an attribute of one's private role. On several occasions since the beginning of the reforms in 1978, the right to participate in debates and controversies has been extended only to be subsequently withdrawn.[62]

Intellectuals who might be tempted to make public statements on controversial matters have learned these lessons about their vulnerability. During the human rights petition campaign that preceded the pro-democracy movement (beginning in January 1989 with Fang Lizhi's letter to Deng Xiaoping asking for the release of political prisoner Wei Jingsheng and followed in February and March by petitions from groups of intellectuals), Xu Liangying, the scientist who led 41 of his associates in calling for the release of political prisoners, denied the official charge that the scientists were attempting to "bring pressure to bear on the government."[63] He maintained that they had only acted out of a sense of "social responsibility and patriotism" and had no plans to make further criticisms. Xu added, however, that "if the government was willing to listen to their advice, it was certainly not a matter of 'pressure'." After having wrapped himself in the flag, Xu shrewdly stepped into the traditional role of a scholar remonstrating in good faith and denied that the petition represented an "open letter." Xu argued as follows:

On the other hand, [the letter] is not secret. We wrote to the leaders and mailed it on the 28th [of March]. After a period of time, we announced it to the outside. At the time of the announcement, we didn't hold a news conference . . . . We wanted the leaders to know and also allow society to know. We hope China will have a democratic enlightenment movement [which will] let the people know they are the masters of the nation. Therefore, if this letter can develop influence in society, that is also important.[64]

The scientists, many of whom were long-standing party members, positioned themselves between state and society, and gingerly attempted to promote a public awareness of the human rights issue without provoking the wrath of the regime. Petitioners such as these could have conceivably provided the personnel for a Chinese Charter 77 or a Neues Forum. And yet, ironically, it was the government that set out to "organize" them into a "pressure" group in order to neutralize their status as prominent intellectuals and party members. And it was the scientists themselves who felt obliged to deny they had formed a group.[65] These developments prevented those elements of a public sphere that did exist from hardening into the kind of council of *fatuan* chiefs and publicists that emerged during the May Fourth Movement or into the forum of dissidents that was characteristic of the East European situations. Intellectuals in China will have to break out of their dependence on the regime for status and "license" to speak if umbrella organizations similar to the Foreign Affairs Association of the May Fourth era are to have a chance of forming and surviving.[66]

The repressive measures instituted by the regime and the strengthened sense of a shared fate engendered among intellectuals since the spring of 1989 may finally provoke this break. Even before the June crackdown, some intellectuals declared their willingness to join the February and March petitioners because their own attempts to fashion an independent group life had been frustrated by the authorities. A journal editor joined 43 social scientists in signing a March letter calling for human rights, in large part because he was so angry with the authorities for forcibly disbanding a

[60]Ibid., p. 164.

[61]For a discussion of "licensed participation" and Chinese intellectuals, see David Strand, "Political Participation and Political Reform in Post-Mao China," *Copenhagen Discussion Papers,* May 1989, pp. 54–61.

[62]Ibid. See, for example, the case of the "alienation and humanism" debates of 1983, in which intellectuals were at first permitted to broach the question of "alienation under socialism" and then abruptly told that they had exceeded the proper limits of "academic" debate.

[63]Quoted in *Chiushih Nientai,* April 1989, p. 22.

[64]Ibid., p. 23.

[65]Fang Lizhi by late March was reported to have called for the organization of pressure groups to lobby the government. Solinger, loc. cit., p. 623.

[66]Chen Jun, an organizer of the first group of petitioners after Fang Lizhi, confided to an interviewer that he initially felt confident that he and his group were "within the law." But after the letter had become public he suffered harassment by security forces and defections by supporters who told officials that they had been "used" by Chen. Chen took this as a sign of the extreme vulnerability of the Chinese intelligentsia. Nan Fangshuo, loc. cit., p. 37.

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Students begin their hunger strike in Beijing's Tiananmen Square on May 13, 1989.

—Magnum.

meeting sponsored by his magazine.[67] During the May demonstrations, prominent intellectuals marched in support of the students on the square. On one occasion, a huge crowd of "professors, lecturers, research fellows, doctors, masters, and staff members from the research institutes of the Chinese Academy of Sciences and the Chinese Academy of Social Sciences, Beijing University, Qinghua University and 60 other units" fell in behind a banner reading "Chinese Intellectual Circles."[68]

While one can point to this real, but uneven, development of a social and organizational basis for the pro-democracy movement, its cultural roots may be far deeper and wider. As in the May Fourth era, the rhetoric of remonstrance and retribution provided a framework common to both students and ordinary citizens. Perry Link gave a vivid commentary on the set-piece dramas that unfolded in Tiananmen Square:

. . . the students knelt on the steps of the People's Hall and asked the premier, "Will you just come out and see us, just give us your acknowledgment of our trying to be patriotic and trying to help?" From our point of view the demand for dialogue with somebody might not really have punch. But for them it was really important, and in fact I can view that whole square through those thrilling days of April and May as a Beijing Opera stage . . . in that morally charged Beijing Opera sense . . . when one after another unit would come out, and say, "Here we are with our banner." This to me meant two things. It meant literally "We have shown up," but it also meant "We have presented ourselves in this drama."[69]

In the absence of extensive organization, the protesters adopted a posture that bound them together in common cause and drew the regime into the same moral snare that had entangled men of power on stage, at Court, and on the square so many times in the past.[70] Culturally-based publicity for the cause was made to substitute for a relative paucity of organizational links among the participants.

The public expression of political views (including the demand for "democracy") so much in evidence in the movement proceeded according to a cultural logic in which form at times overwhelmed content. The result was a "dialogue" in which the speaking parts were less important than the use of stage props, such as the People's Hall and the presentation of tableaus, and the scenes shown on television of well-fed officials being confronted by gaunt student hunger-strikers. To look for well-ordered democratic theory and practice within these social dramas would be to miss their point. In the spirit of "it takes a thief to catch a thief," the cultural strategy used may have been the most effective short-term strategy for speeding the aging leadership's delegitimation.

One wonders, however, how one might shift ground from this essentially negative and culturally-based protest to something with more democratic content and a

[67] *Chiushih Nientai*, April 1989, p. 24.

[68] *Renmin ribao* (Beijing), May 16, 1989, trans. in *FBIS-CHI*, May 17, 1989, p. 66. The demonstration took place on May 15.

[69] *Chinese Writers Under Fire*, pp. 21–22.

[70] Dorothy Solinger makes this point when, in noting "a distinctly Chinese element" of remonstration and giving "voice to moral consensus," she suggests that it was "this proclivity to moralize and demand high behaviorial standards from rulers that lent a common core to these separate strands of protest." Solinger, loc. cit., pp. 625, 626.

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better chance of generating an alternative to the communist party. Milan Kundera, in a meditation on the difficulty of "remembering" the democratic moment in 1968 as a means of securing leverage against a regime dedicated to forgetting, offers the pessimistic motto "*einmal ist keinmal*" (once is never). Perhaps for Chinese democrats, the opposite—an overabundance of vividly remembered Tiananmen Square theatricals—is just as likely to invite despair. Protests against tyranny and injustice in 1919, 1925, 1935, 1948, 1957, 1976, 1978, 1986, and 1989 may begin to seem like "never" if the formula of remonstrance and retribution is never transcended.

There are indications that the latest generation of political activists has developed a new consciousness of the relationship between self and the public and official sphere which may allow it to escape the "trap" culture has set for ruler and rebel alike in the past. Greater mobility, a cynical regard for authority, an easy familiarity with consumerism and pop culture, and an affinity for private feelings apparently made many youthful protesters immune to the threats and blandishments of the elite.[71] Traditionalists (in style not political views) may still play out the conventional drama of scholars forced against their will to leave their studies to battle injustice.[72] The young veterans of 1989 may find a more direct, and permanent, vocation for politics.

Finally, the pro-democracy movement included a hint of alliances among would-be patrons and clients that is reminiscent of the hesitancy and missed connections of the immediate post–May Fourth era. The fact that the movement began with the *death* of a patron, Hu Yaobang, may be an indication of the ambivalence with which ties to patrons were viewed by participants. Mourning the fallen Hu did not mean that the students were looking for a replacement. Some have speculated that the petition campaign that preceded the pro-democracy movement would not have happened if Hu Yaobang had still been in power. Hu Yaobang's purge in 1987 may have forced intellectuals to use other, more public, means to influence the regime given that their "bridge to high levels of government" had collapsed.[73] In any case, students appeared far less interested in making connections with potential patrons like Zhao Ziyang or his reform "brain trust" allies than the older, more established intellectual community may have been. Aside from the aid given to the students by sympathetic organizations like the Stone Corporation, the 1989 pro-democracy movement's only "higher-level" backing seems to have been a product of wishful thinking by a besieged Zhao Ziyang desperate to use the movement for his own purposes.[74]

Conclusion

The lack of cohesive leadership in 1989 by representatives of the participating social groups described above constitutes a striking difference between May Fourth–era movements and the 1989 upheaval. In the 1920's, it was difficult for a movement to emerge (unless by means of a riot) without attracting numerous individuals who wanted to play a major role in leading or defusing it. As the city's rickshaw pullers discovered in 1924, this was not always an unqualified advantage for movements dedicated to putting maximum pressure on power-holders in and out of government. The presence of this "cadredom"[75] of guildsmen, police officers, retired officials, philanthropists, union leaders, and educators at the boundary line between state and society typically contributed more to efficient social control than to easy representation or protest. But the movements that made it past this layer carried with them not only popular energy but also a sense of direction and moral weight. Mediation and confrontation mixed publicity for the plight of aggrieved workers or indignant citizens with arguments for the appropriate remedy. The richness of the public realm (*gong*), built up and elaborated since the mid-19th century Taiping Rebellion, made movements morally and politically intelligible to the larger community of spectators, newspaper and tabloid-readers, and opera-goers.

Decades of state socialism have radically altered this structure of urban leadership. Gone are the days when Beijing University students, politicians, and journalists from Hunan shared rooms or tea at a Hunan guild hall.

[71] *Chinese Writers Under Fire*, p. 21. See the comments by Robin Munro on a possible new social-psychological basis for youthful rebellion.

[72] See, for example, the poet Bei Dao's comment in early spring 1989: "I am a poet. Politics certainly is not an area of interest for me. I'm tired of being a news personality. I originally imagined withdrawing after the '33 Name' petition was issued and returning to my desk and my world of illusion. But, if 'in all of China, there is no room for a quiet desk,' [a motto made famous in the 1935 December Ninth Movement] I naturally cannot opt for silence." *Chiushih Nientai*, April 1989, p. 17.

[73] Ibid., May 1989, p. 21.

[74] Solinger, loc. cit., p. 626. Solinger believes that the protesters picked up cues from government reformers which encouraged them to believe they had high-level backing. See also Nathan, loc. cit., p. 19, for Zhao's last-ditch attempt to attach himself to the movement.

[75] Susan Mann Jones has used this term, coined by Philip Kuhn, to mean a "self-image of public responsibility—a sense of service or 'cadredom'—which characterizes local leadership in Chinese culture." Susan Mann Jones, "The Organization of Trade at the County Level: Brokerage and Tax Farming in the Republican Period," in Jones, Ed., *Political Leadership and Social Change at the Local Level in China from 1850 to the Present: Select Papers from the Center for Far Eastern Studies*, Chicago, IL, Center for Far Eastern Studies, University of Chicago, 1979, p. 79.

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Leadership positions have been absorbed into a Chinese *nomenklatura*. "Circles" of intellectuals, workers, and journalists are far more isolated from each other now than they were in the 1920's. Intellectuals must strive mightily to overcome the dependence and weakness they feel as a community and to maintain the privileges they hold as a caste, including their probationary license to speak out on public matters. Their most recent experience with the frustrations of petitioning an unresponsive regime and mediating between the state and popular forces may tip the old balance between autonomy and dependency toward open dissent. Alternatively, intellectuals may wait once again for the revitalization of a reform faction interested in patronizing critically-minded writers and critics.

Another key group normally isolated from other communities and classes is the layer of cadres and managers responsible for maintaining social order in their units. The loyalties of this stratum of "indispensable" individuals may determine how soon new disorders break out. It seems unlikely they will enthusiastically rally to a conservative reconstruction of centralized party power at the basic-level. They are, however, in a position to release, if not lead, students and the urban workforce into renewed protests. One of the intriguing details of the 1989 pro-democracy protests was an offer by the presidents of ten Beijing universities to "act as go-betweens for the students and the party and government officials."[76] In a similar vein, as the protests escalated in May, "ten enterprises and their responsible persons" in Beijing urged "dialogue" and an end to street demonstrations while still expressing support for the students.[77] The willingness of elites like these to act as mediators or the "voice of reason" between the state and the demonstrators suggests the possibility of a more independent role for them in future disorders and the conversion of at least part of the CCP's control apparatus into bodies capable of representing insurgent constituents. How "hard" or "soft" these groups will be in the face of regime repression remains to be seen. But their tentative steps toward assuming a critical and mediating role in public affairs suggest that leadership at both the grass roots and at higher levels may be more abundant in the next pro-democracy movement. A shift in the loyalties of this layer of cadredom would not only deprive the regime of a critical asset in its effort to control protest but also legitimate the larger, reformist aims of any such movement.

The halting reemergence of a civil society suggests the potential for independent authority over politics. Whereas the unit-based nature of urban society once contained spontaneous participation in politics, these Leninist social and economic arrangements now lend structure to mass protests. The state itself is so huge and stratified that sections of it threaten to fall off like pieces of poorly laminated plywood. Earlier in the century, social groups themselves developed a quasi-governmental identity; groups participating in movements brought corporate order (and sometimes competition) to the scene outside Tiananmen. Society could attack the state by creating, or threatening to create, its own police forces, tax-collecting agencies, schools, charities, and welfare programs. Now, elements of the state, broadly conceived to include state-controlled institutions like universities, newspapers, and factories, have developed an independent social identity. They can attack the state by creating a Chinese version of the East European strategy of "social self-defense." In the past, this ambiguity between state and society redounded to the advantage of the regime in its quest for political and social control. But now, the state's increasing difficulty in controlling itself can trigger the sudden enlargement of society, as we witnessed last year. As was indicated by the defecting journalists from the official media, workers in state enterprises, researchers, and office personnel in 1989, the state, or portions of it, could form the social basis of protest against the regime itself.

The 1989 movement erupted without extensive organization or an organized leadership and followed a cultural logic of protest that fed on a popular sense of a disturbed moral atmosphere. For this reason, the evils of corruption ultimately were a more salient issue for many participants and sympathizers than democracy. But then democracy has often initially gained ground as an "oppositional ideal . . . a polemical notion whose function is to oppose, not to propose. The utterance of 'democracy' is a way of saying no to inequality, injustice, and coercion."[78]

This negative message fitted perfectly with the traditional tone of the movement. The manner in which a cultural motif could be used as a surrogate for organization was a remarkable development. As suggested above, this cultural production had a social basis. What

[76]Xinhua in English, May 16, 1989, in *FBIS-CHI*, May 17, 1989, p. 67. At the onset of the movement in April, protesting students told reporters that "they felt they had tacit support from their university officials as long as the ostensible aim of their activity was to commemorate" Hu Yaobang. *South China Morning Post* (Hong Kong), Apr. 19, 1989, in *FBIS-CHI*, Apr. 19, 1989, p. 13.

[77]*Renmin ribao*, May 18, 1989, trans. in *FBIS-CHI*, May 22, 1989, p. 80–81.

[78]Giovanni Sartori, "Democracy," *International Encyclopedia of the Social Sciences*, New York, Crowell Collier and Macmillan, 1968, p. 116. "As Louis Hartz points out, the image of democracy depicted by its early advocates was basically the negation of what they wanted to destroy."

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has troubled sympathizers, as well as some participants, is the apparent dominance of form over substance. But even in the 1920's, the critical-rational element in public debate always had a strong component of publicity, both in the sense of modern propaganda and in the sense of representation of status (students as heirs of the literati tradition or water carriers as a semi-hereditary occupational group). Faced with a regime that refuses to "listen" and is committed to undermining, when it can, social communication and voluntary association, the democracy movement's culturally derived attack made perfect sense.

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China Faces the 1990's: A System in Crisis

Michael D. Swaine

One year after the tragedy of Tiananmen, the leadership of the People's Republic of China remains committed to reestablishing the authority of the centralized socialist state. For a few observers, this effort marks the revival of full-blown totalitarianism in China, including most of the harsh measures of the Mao Zedong era.[1] The implication of this view is that China is experiencing yet another historical swing of the pendulum, back toward monolithic central party control, thoroughgoing repression, and central economic planning. This view can be labeled the "totalitarian revival" paradigm.

For a much larger number of China analysts, however, what we are witnessing in the People's Republic today is nothing less than the last gasp of a moribund system and its aged, reactionary leaders.[2] These analysts view the current regime as merely marking time until the passing of Deng Xiaoping and his senior colleagues precipitates its collapse, most likely along with the entire communist system. Implicit in this view is the notion that, as in Eastern Europe, the forces of economic and political reform are irresistible and guarantee a relatively quick renewal of the upward climb in China's developmental curve. This view can be termed the "irresistible reform paradigm."

Although these two views are contrasting perspectives on China's future, they nevertheless share one rather troubling assumption: that the central leadership is the key variable determining change, with developments along a reform/reaction continuum occurring largely as a function of a high-level internal power struggle between reformers and conservatives at the top. Such a perspective grossly oversimplifies the overall situation, underestimating the challenges China faces while overestimating the ability of *any* type of Chinese leadership to formulate and carry out policy effectively.

The Chinese system is at a critical juncture in its development. Economically, neither China's reform effort nor the corrective actions of the austerity program in effect since September 1988 have addressed the most fundamental deficiencies of the Chinese system. These deficiencies center on basic structural flaws related to the critical shortage of key resources (including intermediate goods such as energy and transport, and factor inputs such as capital and technology, management, and marketing skills) and, more important, increasing inefficiencies in the use of those resources. Politically, a decade of limited, piecemeal reforms has created as many problems in the system as these reforms have resolved, undermining the ostensible goals of stability, predictability, and strengthened regime legitimacy. Tiananmen was merely the most momentous of a series of social disruptions caused by such partial

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[1]See, for example, Edward Gargan in *The Los Angeles Times*, Nov. 12, 1989.

[2]See, for example, Winston Lord, "China and America: Beyond the Big Chill," *Foreign Affairs* (New York), Fall 1989, pp. 1–26; and Huan Guocang, "The Events of Tiananmen Square," *Orbis* (Philadelphia), Fall 1989, pp. 487–500.

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political reform. Because of it, the political crisis now greatly exacerbates the economic one, and the two have become inseparable.

To break this impasse and achieve further progress requires the formulation and implementation of much more innovative economic and political policies than those that have been proposed so far, almost certainly involving increased social unrest and political instability. Yet, on the other hand, the ability of the system to meet the challenges facing it through the development of innovative policies has never been weaker.

What we see in China are enormous problems in all areas comprising the key indices of regime capability: leadership at the very top is divided and without vision; the basic-level party apparatus in both urban and rural areas is compromised and irresolute, often unable or unwilling to comply with central demands; the mid- and upper-level state and party apparatuses are structurally fragmented and in conflict, while the interests and beliefs of their leaders have been altered in ways detrimental to central control; and the military, the ultimate guarantor of order, is embroiled in a major internal crisis, the dimensions of which are only dimly reflected in the public media.

The overall picture suggests that for an indefinite period of time, and regardless of the immediate consequences of the leadership succession, the center may be unable either to develop a program of fundamental political and economic reform or to reestablish central control. Instead, we may witness a third alternative, namely, a prolonged, relentless slide into state impotence, confusion, and disarray, in which the center is able only to suppress certain political, economic, and social activities, not guide and inspire them.

The remainder of this article will elaborate on this theme. We will present in greater detail those aspects of the Chinese system today that indicate a deep-rooted pattern of regime immobilism. Specific examples will then be given of the already apparent failure of the center to enforce its will throughout the party, economy, and military.

An Irresolute and Co-opted Party

Even the most casual observer of the Chinese scene recognizes that the overall organizational integrity and doctrinal authority of the Chinese Communist Party (CCP) has eroded immensely since 1949. Much of this erosion is related to the oft-mentioned process of routinization occurring under the pressures of economic modernization, the persistent leadership strife since the early 1960's, and the passing of most of the original generation of revolutionary leaders. Only under the past decade of reforms, however, has this decline in the vitality of the party taken a decidedly qualitative turn for the worse.

The decline has occurred largely because of the combined impact upon the party of three interrelated phenomena basic to the reforms: (1) the general easing of controls on thought and discussion and the related opening to the outside world; (2) the economic changes occurring in the countryside, which have had a profound impact on the functions and outlook of basic-level rural cadres; and (3) a transformation in the nature of mid-level party elites.

In the cities, party members at all levels have been strongly influenced by the process of political liberalization. As a consequence, many party members share with broad urban elements a strong alienation from the regime, as indicated by the fact that many of the former participated in the spring 1989 pro-democracy demonstrations.[3] Moreover, many individuals in the urban party apparatus strongly doubt the official line that the Tiananmen demonstrations constituted a "counter-revolutionary rebellion" and that former party General Secretary Zhao Ziyang sought to split the party by encouraging the turmoil of the spring.[4]

Having equally serious implications for central control over the party apparatus is the fundamental transformation in the functions and interests of party cadres that has occurred as a result of a decade of rural reforms. Before the 1980's, cadres on the grass-roots level generally carried out the center's policies, gaining recognition, prestige, and in some cases, advancement up the party hierarchy for their efforts.

However, after some initial resistance to privatization and marketization, huge numbers of rural cadres became heavily involved in various schemes for making money. They did this both legitimately, as entrepre-

[3]Investigations conducted by the party not long after Tiananmen indicated that approximately 10,000 staff members from central-level party and government departments took part in the spring 1989 demonstrations. See *South China Morning Post* (Hong Kong), Nov. 8, 1989; and *Dazhong ribao* (Jinan), Oct. 1, 1989, translated in Foreign Broadcast Information Service, *Daily Report: China* (Washington, DC, hereafter—*FBIS-CHI*), Nov. 10, 1989, pp. 46–49. The actual number is probably much higher.

Perhaps the clearest indication of the extent of party involvement in the pro-democracy demonstrations is found in a speech to a national conference of organization department directors of all provincial, municipal, and autonomous region party committees delivered by Song Ping in late August 1989, when he was still head of the Party Organization Department. See Beijing Xinhua Domestic Service in Chinese, Aug. 22, 1989, trans. in ibid., Aug. 23, 1989, pp. 15–18.

[4]Both personal discussions with Chinese officials and printed sources confirm this. For examples, see *Ching Pao* (Hong Kong), Aug. 10, 1989, trans. in ibid., Aug. 10, 1989, p. 14; and *Guangming ribao* (Beijing), Oct. 20, 1989, trans. in ibid., Oct. 25, 1989, p. 30.

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neurs and middlemen bringing peasant goods to market, and illegitimately, as corrupt parasites using their control over information and administrative procedures to engage in blackmail, extortion, and influence-peddling. Eventually, these individuals became entrenched as essential bulwarks of the new reform economy, often working closely with those peasants who had profited most from the changed economic environment.[5]

Instead of feeling angered or frustrated by the loss of their traditional sources of influence in the villages, most rural cadres have worked to establish very significant alternative sources of power and prestige outside the party administrative hierarchy. The implications of this situation for central party control are obvious. Even before Tiananmen, but particularly since then, party sources have called attention to the thoroughly disorganized state of the entire party apparatus in general and of rural party organs in particular.[6]

Compounding this crisis in the basic party apparatus is the change that has occurred in the makeup of those mid-level party elites ruling the large municipal regions (areas containing over half the population). In the past, such mid-level leaders were older, less educated cadres from rural areas, with experience in agriculture, party organization, ideology, and military affairs, who gained promotion through participation in political mobilization and revolutionary campaigns. However, as Cheng Li and David Bachman have pointed out, almost entirely as a result of the reforms, these positions are now overwhelmingly filled by younger and better-educated urban cadres (most with technical degrees), who have been recruited largely from the localities they govern.[7]

Cheng Li and Bachman have noted that the impact of this dramatic change in central control has, perhaps, been felt most keenly in the government sector, where it has led to a strengthening of ongoing trends toward economic localism and general bureaucratic immobilism, both of which we shall discuss below. On the party side, however, the promotion of individuals with backgrounds in administrative, industrial, and technical fields into elite positions reinforces the overall tendencies toward ideological decay and the related elimination of distinctions between party and state functions and interests, and thus furthers the decline in the vitality of the central party structures for mobilization and control.

State Bureaucratic Fragmentation

In the state sector, bureaucratic organizations have become cellular and fragmented, and thus both undermine the ability of the leadership to assess problems accurately and weaken the capacity of the state apparatus to implement policy.[8] This fragmentation and diffusion of bureaucratic authority, although evident during the Mao era, intensified because of the reforms, which enhanced and sharpened the interests and capabilities of formal bureaucratic organizations and increased their overall role in the policy process.[9]

On many important policy matters, an unprecedented degree of cooperation and coordination is now required among different functional bureaucratic systems, different hierarchical levels and regions, and different individual leaders for the government to function. Hence, decisions are usually not the outcome of a process limited to a single bureaucratic agency, but the result of an ongoing series of smaller, reinforcing actions involving extensive bargaining among relevant organizations, each of which controls separate resources and seeks to promote distinctive interests.

For example, the policy process involved in the formulation and implementation of major economic policy lines often displays extensive conflict and competition among different vertical bureaucratic "systems" (*xitong*); horizontal, territorial governing bodies; separate

[5]As Jean Oi has stated: "The current road to economic and political success for local cadres is closely tied to their ability to foster business activity and make profits." See "Commercializing China's Rural Cadres," *Problems of Communism* (Washington, DC), September-October 1986, p. 11.

A *Renmin ribao* article of November 1989 lamented the transformation that had occurred in the nature of rural party cadres, stating that: "Even party secretaries give up ideological and political work to engage in money-making, seriously weakening ideological and political work." According to the article, most cadres had dropped any attempt at ideological struggle, criticism, and self-criticism, using instead the slogan of "respecting, understanding, and caring for the people" to justify their support for local economic interests and "liberal" views. See *Renmin ribao*, (Beijing), Nov. 13, 1989, trans. in *FBIS-CHI*, Dec. 14, 1989, pp. 16–18.

[6]In a major address given to the Fifth Plenum of the CCP in November 1989, General Secretary Jiang Zemin strongly lamented the deplorable condition of the party apparatus in the countryside, stating that "quite a number of basic party organizations in rural areas are in a state of weakness and slackness. Some are paralyzed or semi-paralyzed." See Beijing Xinhua in English, Nov. 21, 1989, in ibid., Nov. 21, 1989, p. 20. See also Beijing Xinhua in English, Dec. 29, 1989, in ibid., Jan. 10, 1990, pp. 17–18.

[7]Cheng Li and David Bachman, "Localism, Elitism, and Immobilism: Elite Formation and Social Change in Post-Mao China," *World Politics* (Princeton, NJ), October 1989, pp. 64–94.

[8]This section draws heavily on the work of Michel Oksenberg and Kenneth Lieberthal, especially *Policy Making in China: Leaders, Structures, and Processes*, Princeton, NJ, Princeton University Press, 1988.

[9]Specifically, this came about largely because the reforms had led to: (1) an unprecedented emphasis on more empirically-based, regularized means of analyzing policy choices and formulating decisions, which increased the importance of technical information held by ministries and strengthened the policy role played by various types of technical specialists; (2) a general dispersal of economic decision-making authority among various line ministries, provinces, and localities; and (3) an overall decline in the integrative function of ideology and mass campaigns, which were often used in the past to overcome bureaucratic lethargy and resistance.

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bureaucratic units of differing rank; and various central and local officials. Among these entities, bargaining and lobbying within a wide range of policy areas often takes place, especially before, during, and after major national planning and finance conferences. In this complex process, the interests of individuals and organizations associated with the development of heavy industry are often pitted against those representing light industry, agriculture, and fiscal conservatism.

As a result of the protracted negotiating necessary to placate the demands of all interested bureaucratic agencies, bold initiatives are often transformed into modest programs or negated altogether. Michel Oksenberg and Kenneth Lieberthal have clearly described this phenomenon in the energy sector, where extensive organizational fragmentation and the resulting bargaining and consensus-building efforts of economic ministries and concerned government and party leaders have resulted in the absence of a cohesive, consistent policy for national energy development.

According to Oksenberg and Lieberthal, specific major projects in the energy sector such as the Three Gorges Dam hydroelectric project and the exploration and development of China's offshore oil resources displayed the effects of intensified bureaucratic competition. In these cases, several energy-related ministries contended with each other and with a wide array of additional relevant central ministries, central planning bodies, and various local officials over issues of project size, funding, location, equipment procurement, technical design, supply and distribution channels, and the level and type of foreign involvement to create a protracted policy debate that frustrated the intentions of the center while leaving most participants generally dissatisfied.[10] The same general pattern of intensified bureaucratic contention over project development can also be seen in politics surrounding the importation and construction of China's massive Baoshan steel complex near Shanghai from the late 1970's through most of the 1980's.[11]

Diffuse Bureaucratic Interests

Closely related to the problem of structural fragmentation is the transformation of the interests and priorities of key state administrators that has further added to the decline of the center's ability to enforce compliance with its policies. Of particular importance are those changes affecting the outlook of top officials within ministries and commissions of the State Council's economic bureaucracy.

Because of their past dominant role within the centralized planning apparatus, economic ministries and commissions are often viewed as formidable allies of the current leadership in its attempt to strengthen central control over the economy. However, support for such recentralization among high-level officials of these organs may not be as strong as many assume.

The lack of support for recentralization is suggested by the recent organizational reforms that establish industry corporations and investment companies of ministries and commissions.[12] Industry corporations were set up to utilize various forms of economic contracts in order to secure the production of goods governed by their parent ministries. In addition, these corporations are instructed by the government to make money by engaging in profitable activities, but not necessarily in the same sector as the one administered by their parent ministry. Industry investment companies, by contrast, are to provide funding to the industry corporations for major state-approved projects, particularly in the areas of energy and transportation. As with the industry corporations, the responsibility to support major state goals is combined with the requirement to show a profit.[13] These new entities are often staffed by high-level ministerial officials (in the case of industry corporations) or members of the State Planning Commission (in the case of investment companies), many of whom retain close ties to their former units.

Because of their need both to strike contractual (and other) deals and to make a profit, these new organizations in the period immediately before the Tiananmen massacre had expanded their links within the economic bureaucracy beyond the vertical, branch-line administrative command system of the past, toward the development of new types of horizontal, quasi-market relationships with various entities. The result was the formation of complex, often informal ties across industrial sectors and among various geographic areas.

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[10]See Oksenberg and Lieberthal, op. cit., Chs. 5–7. Although the authors readily acknowledge that observations of Chinese bureaucratic behavior based almost entirely on a single economic sector should not automatically be applied to the entire political and economic system, their views significantly parallel those of other scholars, such as Susan Shirk, who have examined economic bureaucracies in general. See her "The Political Economy of Chinese Industrial Reform," in Victor Nee and David Stark, Eds., *Remaking the Economic Institutions of Socialism,* Stanford, CA, Stanford University Press, 1989, pp. 328–62.

[11]For details on the Baoshan project and additional examples of bureaucratic conflict in the industrial sector during the early reform period, see Michael D. Swaine, "Heavy Industrial Policy under Hua Guofeng: Bureaucracy and the Policy Process," Ph.D. dissertation, Harvard University, 1986.

[12]Much of the information in this section derives from discussions with knowledgeable Chinese, as well as with businessmen active in China.

[13]For information on the activities of these companies, see Beijing Xinhua in English, Jan. 8, 1990, in *FBIS-CHI,* Jan. 10, 1990, p. 34.

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The opportunities these ties created for central economic officials to profit financially from new business activities, plus the status and prestige that goes with being a top officer in a new corporation or company, provide the basis for new interests supporting the continuation of more free-wheeling, personally lucrative economic contacts basic to the hybrid economy. Moreover, under the new system, complex deal-making and a greater concern for economic development within regions and localities have become more important. Consequently, it is increasingly problematic to assume that the interests of central economic organs such as the industry corporations and the investment companies lie in the strengthening of the rigid, centralized planning system as such. It is also problematic to assume, in turn, that the industrial corporations and the investment companies are hostile to the interests of specific regions.

Loss of Government Resources

Of even greater importance than the changes that have occurred in bureaucratic structures and interests is the tremendous erosion in the central government's control over basic financial and administrative levers essential to the effective implementation of *any* economic policy line, whether it is to reinvigorate centralized planning or to introduce more market-oriented reforms. The government's weakness is due to two interrelated developments: (1) a major decline in Beijing's control over essential economic resources combined with a concomitant rise in central financial burdens; and (2) the emergence of a range of informal relations and transactions existing outside both administrative and market-based channels and directives.

In 1979, government revenue as a whole accounted for 31.9 percent of national income; by 1984, that rate had dropped to 26 percent; and by 1988, to 19.2 percent. Moreover, the percentage of such revenue controlled by the center also fell from a high of 70 percent in the 1950's, to 60 percent in the early 1980's, and to 42.8 percent in 1989. Also by 1988, the proportion of foreign exchange under the control of the central authorities accounted for only 40 percent of the total; and the amount of foreign exchange held by governmental entities below the center had dropped as well. These trends suggest an overall increase in control over foreign exchange by non-governmental sources.[14]

The level of extra-budgetary funds controlled by local enterprises has been growing at the rate of more than 20 percent per year since the mid-1980's. In fact, by late 1989, the Ministry of Finance announced that almost as much money was circulating outside the state budget as within it.[15] This loss of financial revenues by the center has also been exacerbated by the emergence of widespread currency hoarding in China. Hoarded currency may total as much as 200 billion RMB, equal to about 40 percent of all currency in circulation. The result is a growing pool of funds existing totally outside the banking system.[16]

In an attempt to rein in an inflation rate that had climbed to 30–40 percent in many urban areas by mid-1988, the center tried in late 1988 to reestablish its control over the money supply, credit, and the banking system.[17] However, the existence of such an enormous pool of hoarded currency and other funds outside state control hampered the government's efforts by encouraging the creation of huge local markets in lending, which offered informal credit and loan arrangements. Since these local lending markets filled many of the funding shortfalls produced by the government's retrenchment policy, localities were able to resist Beijing's initial attempts to reduce drastically investment levels in late 1988 and early 1989.[18]

Added to the decline in state capabilities created by the loss of financial resources is the increase that has occurred under the reforms in state outlays, especially subsidies. Such increases hinder the ability of the state to devote resources to other, more urgent needs. In 1989, Beijing reportedly paid out approximately 100 billion RMB in price subsidies and supports to state enterprises, nearly one-third of the state's budgetary expenses.[19]

The explosive growth in the level of foreign economic relations that has taken place under the reforms has also reduced central economic control by increasing dependence on external sources of finance, trade, and

[14]*Hebei ribao* (Shijiazhuang), Nov. 19, 1989, trans. in ibid., Dec. 29, 1989, p. 9; Beijing Xinhua in English, Jan. 16, 1990, in ibid., Jan. 18, 1990, p. 25; and *China News Analysis* (Hong Kong), No. 1398, 1989, p. 1.

[15]See CEI Data Base in English, Dec. 1, 1989, in *FBIS-CHI*, Dec. 8, 1989, pp. 20–21. See also *The Asian Wall Street Journal* (Hong Kong), Nov. 29, 1989; and *China News Analysis*, No. 1398, 1989, p. 5.

[16]See Louise do Rosario, "Economic Monitor, China," *Far Eastern Economic Review* (Hong Kong), Mar. 30, 1989, p. 58; *South China Morning Post*, Mar. 22, 1989; and *China News Analysis*, No. 1394, 1989, p. 6.

[17]Louise do Rosario, "Rural Reforms Outstrip Those in the Cities," *Far Eastern Economic Review*, Oct. 5, 1989, p. 53; "Foreign Economic Trends and Their Implications for the United States: People's Republic of China," Beijing, US Embassy, June 1989, p. 5.

[18]Although such use of extra-budgetary funds has apparently been curtailed in more recent months, the continued implications of this development for Beijing's long-term attempts to guide regional spending levels are obvious, as vast amounts of cash and credit notes continue to circulate outside of the banking system.

[19]*South China Morning Post*, Jan. 1, 1990, in *FBIS-CHI*, Jan. 2, 1990, pp. 47–48; and *China News Analysis*, No. 1406, 1990, p. 6.

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A private Chinese entrepreneur engaged in the bottling and selling of fruit juice counts the day's proceeds in An Yuan, Guangdong Province.

—Patrick Zachmann/MAGNUM.

investment. From 1979 to 1988, foreign capital inflow increased from nearly nothing to US$47 billion, or about 10 percent of state fixed investment during that period. Foreign trade has also sharply increased by an average of 17 percent a year since 1978, with the share of exports rising from 5 to 14 percent of gross national product by 1987. By 1989, the total value of foreign trade exceeded $110 billion, a figure equal to at least 20 percent of China's GNP.[20]

Beijing's overall control of the economy has also been undermined by the emergence of township and village enterprises (TVE's), which formed the core of industrial growth under the reforms. Developed largely outside of state control and responsive to the quasi-market forces of China's hybrid economy, these mainly small-scale enterprises have experienced phenomenal growth, particularly in the past five to six years. Approximately 18 million TVE's, which employ more than 90 million people, or nearly 25 percent of the total rural labor force, have emerged since the reforms were initiated. According to recent official Chinese sources, TVE's provide fully half of peasant income. Equally important, these entities reportedly turned over 114 billion RMB in taxes to the state during the past decade.[21] From the perspective of both financial revenues and employment, these production entities have come to play a very significant role in the Chinese economy.

Informal Transactions and Local Power

One might think that the erosion of Beijing's influence over its economic resources could be reversed simply by reassigning certain administrative and financial prerogatives that had been delegated to the localities under the reforms back to central economic organs. As the leadership in Beijing is discovering, however, recentralization is a far more complex and difficult task than it might first appear.

For one thing, the loss of central financial resources and the increased dependence on economic activities outside the state sector are the results of the limited successes of the reform period. But expanding the state sector and reestablishing direct control over key economic activities (by abolishing or attempting to absorb TVE's, for example), or reducing the extent of involvement in the world economy would lead to reduced output and increased unemployment, thus prompting an even greater economic crisis.

More important, however, are the basic systemic and political obstacles to the reassertion of central control over resources. The former relate to the transformation of basic economic and administrative interactions under the half-plan, half-market structure of partial reform. As Jan S. Prybyla has observed, the economy of the PRC is a "dismantled planned economy with uncoordinated, unlinked, and imperfect markets existing here and there for individual goods."[22] What holds the economy together is a wide range of informal transactions. Under the complex financial responsibility system of the reforms, informal, personal deals are struck between enterprises and factories, local bank managers and heads of local economic bureaus, and local governments and central ministries over levels of profit retention, taxation allotments, and investment financing.

[20]*Beijing Review*, No. 10, 1989, p. 25; and K. C. Yeh, unpublished manuscript, p.viii.

[21]Robert Delfs, "Crop of Worries," *Far Eastern Economic Review*, Sept. 14, 1989, pp. 64–65; Beijing Xinhua Domestic Service in Chinese, Dec. 21, 1989, trans. in *FBIS-CHI*, Dec. 22, 1989, pp. 13–14; *China News Analysis*, No. 1405, Mar. 1, 1990, p. 1; and *China Daily* (Beijing), Dec. 9, 1989.

[22]Jan S. Prybyla, "China's Economic Experiment: Back from the Market?" *Problems of Communism*, January-February 1989, p. 8.

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The same pattern of behavior is seen in the enterprise responsibility system, in which many types of production units, suppliers, and distributors bargain over planned targets, inputs, and outputs, often exchanging favors and engaging in payoffs to ensure fulfillment of contracts. In such a system, economic success depends on political bargaining skills and connections (*guanxi*), not knowledge of the market and attention to efficiency. The result is what Prybyla calls "socialist feudalism," where complex, interlocking, and interdependent networks of informal contacts exist in almost every product sector of the economy.[23]

Networks of informal bargaining and exchange undermine central control over the economy. They resist pressures produced either by price fluctuations (the market) or by administrative orders (the plan). They also greatly enhance the incentives and opportunities for individual and group corruption. But to dismantle this system in the process of reestablishing central controls would lead to even greater chaos for the regime.[24]

The political obstacles to the reassertion of central control over economic resources emerge largely out of the combined effect both of the new network of informal transactions and of the overall decentralization of economic decision-making authority under the reforms. These two developments combine with the transformation of mid-level elites during the 1980's, due to the decision to chose them primarily from the native population of a given area,[25] to create a formidable array of local and regional interests with strong stakes in maintaining and even expanding their control over resources. Local governments usually stand at the center of the basic-level network of informal transactions and bargaining. Enterprises, factories, and other commercial and industrial entities depend upon them for information on and access to essential production inputs, funding, and markets. In addition, local governments make decisions regarding taxation levels, amounts of foreign exchange retained, venture approvals, etc. Local governments also mediate between the central government and production units in decisions regarding tax collection and other financial matters, often bargaining with Beijing over the amount the center is to receive through the system of "tax farming" established under the financial responsibility system. Finally, they have strong links with local financial institutions and an ability to manipulate prices under the irrational, two-tier pricing system.[26]

As a result, in many places local political elites have established political machines that control local economic monopolies and engage in sometimes fierce competition with one another over scarce raw materials, goods, and funds. Local governments in the coastal regions are especially powerful as a result of the successful activities of the TVE's in their jurisdictions and the expansion of foreign economic relations, which favored their regions.[27]

The competition among these local "speculator-bureaucrats" for control of key resources adds to the general inefficiencies of the Chinese system and intensifies the "balkanized" structure of China's economic system. Moreover, as indicated above, China's emerging regionalism has played a role in the changing interests of central economic officials, whose involvement in wheeling and dealing through industry corporations and investment companies has a definite regional component.[28]

A Divided Military

The disarray and immobilism that characterize the Chinese party, government, and economy today can also be seen in the military. In the case of the People's Liberation Army (PLA), however, such phenomena have emerged more recently, largely as a result of a major internal dispute brought on by the Tiananmen massacre and its aftermath. This dispute has drawn the military more directly into the political process.

The declaration of martial law and the subsequent violent crackdown of June 3–4, 1989, were highly divisive events for the Chinese military. Although attempts were made to create an impression of a responsive army, this was not the reality. Considerable hesitation and resistance existed, which were largely overcome only through the active involvement of Deng Xiaoping and other elder leaders. Over a period of weeks, officers and soldiers alike participated in the pro-democracy demonstrations of spring 1989, and, after May 20, many refused to obey orders to implement martial law. As a result, thousands of military men are reportedly un-

[23]Ibid., p. 11.

[24]For a detailed discussion of this central problem, see "Macroeconomic Control in China: Problems and Solutions," *China Briefing* (Hong Kong), No. 33, 1989, pp. 5–8. See also Prybyla, loc. cit., pp. 13–15; and "A Survey of China's Economy," *The Economist* (London), Aug. 1–7, 1987, insert.

[25]Cheng Li and Bachman, loc. cit., p. 86.

[26]Prybyla, loc. cit., p. 5. See also Shirk, loc. cit., p. 337.

[27]Shirk, loc. cit., p. 355, cites the importance of Jiangsu and Zhejiang; Guangdong and Fujian are also very important provinces.

[28]For references to the intensity of regional economic strife, see Wu Jinglian, "An Evaluation of Rectification Measures Taken Over the Last Few Months," *Gaige* (Chongqing), May 20, 1989, pp. 55–59. See also "A Survey of China's Economy," loc. cit. Prybyla, loc. cit., pp. 12–13, uses the wonderful term "speculator-bureaucrats."

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der investigation, and arguments over Tiananmen continue within the ranks of the military.[29]

As the longevity and severity of the dispute suggest, the problems in the PLA go far beyond differences over Tiananmen. The central rift is an intensified version of the controversy between the adherents of professionalization and the adherents of politicization that has plagued the military since the late 1950's. During the past decade, forces favoring greater professionalization clearly had gained the upper hand, as reformers deemphasized the past importance of ideology, politics, and party control within the PLA in favor of the formation of a more Western-style national defense army under the control of the government.[30]

This move toward greater professionalism reflected the very deep-rooted changes occurring in the Chinese military. At the center of this change are the younger officers at the middle and upper-middle levels of the PLA. These individuals, promoted to important positions under the reforms and actively involved in the movement to professionalize the military, have strong career and policy-related reasons to maintain a stress on modernization. Although it is impossible to estimate the exact number of these officers, some analysts have suggested that they comprise a significant body that could become dominant within the military once the senior leadership is gone.[31] This view is at least partly confirmed by the high number of negative references to such officers found in the media after Tiananmen, suggesting that these people are of great concern to the current leadership.[32]

A more precise indication of this generation of officers' positions and outlook is provided by interviews undertaken prior to the Tiananmen events with 20 generals, all of whom rose to power over the past 10 years. Most were under 50 years of age and many had visited foreign countries. These respondents expressed strong concern over the decline of the PLA's combat effectiveness. They sharply criticized the obstacles to modernization posed by elements within the PLA hierarchy, especially unnamed senior PLA leaders who resisted the application of science and technology to the military because of their own ignorance and support for tradition.[33] They were also strongly opposed to the continued interference in military affairs of many supposedly retired PLA officers.

It is also very likely that the navy and the air force, which have benefited the most from military-related contacts, exchanges, and trade between China and the West over the past decade, have become strong supporters of professionalization. This support reflects a general shift that has occurred in the overall force posture of the PLA, away from an interior land-based defense strategy to a coastal-based one keyed to the importance of naval and air capabilities.[34]

Interests favoring professionalization have now come into direct conflict with more orthodox conservatives within the party and army who seek to consolidate their political and ideological control over the PLA by reversing recent trends.

The Failure of Central Actions

The impact of the decline of central capabilities in the political, economic, and military sectors can be seen in the very limited success attained by many policy initiatives announced by Beijing since Tiananmen, some of which were specifically designed to combat the problems analyzed above. These initiatives in the party, economy, and military will be examined in turn.

Political sphere. In the area of party affairs, Beijing's approach consists of two interrelated components: (1) a general emphasis on party-building at all levels

[29]*Cheng Ming*, June 1, 1990, trans. in *FBIS-CHI*, June 1, 1990, pp. 9–13. See also June Teufel Dreyer, "The People's Liberation Army and the Power Struggle of 1989," *Problems of Communism*, September-October, 1989, pp. 41–48; Harlan Jencks, "The Military in China," *Current History* (Philadelphia), September 1989, pp. 265–68; Yang Baibing's speech to a crucial All-Army Political Work Conference in December, summarized in *South China Morning Post*, Dec. 28, 1989; and Tai Ming Cheung, "Rank Insubordination," *Far Eastern Economic Review*, Feb. 1, 1990, p. 22.

[30]For example, a July 1988 Xinhua report on a Theoretical Symposium on Armed Forces Reform convened by the Academy of Military Sciences stated that the concept of building the army politically should "give way to that which attaches importance to military functions." Beijing Xinhua Domestic Service in Chinese, July 15, 1988, trans. in *FBIS-CHI*, July 18, 1988, pp. 34–35. Such perspectives were supported by Zhao Ziyang as part of his overall attempt to end party interference in governmental functions.

[31]Ian Wilson and You Ji, "Leadership by 'Lines': China's Unresolved Succession," *Problems of Communism*, January-February 1990, pp. 38–44.

[32]See *Qiu shi* (Beijing), No. 2, 1990, trans. in *FBIS-CHI*, Mar. 8, 1990, p. 36. See also *Jiefangjun bao* (Beijing), June 22 and Aug. 2, 1989. Other post-Tiananmen sources refer to the existence of semi-political organizations formed by young officers even before Tiananmen. No doubt these organizations were part of the reason behind the new directives—examined in the text below—restricting soldier participation in non-CCP organizations.

[33]*Ming Pao*, Mar. 6, 1990, trans. in *FBIS-CHI*, Mar. 6, 1990, pp. 30–31. *Ming Pao* summarized the major points of the interviews, which first appeared in a mainland magazine entitled *New China Digest* (*Xinhua Wenzai*) after June 4. Neither the exact date of publication nor the date of the interviews (which took place sometime before May 1989) are provided, however. The interviewees included group army commanders, commissars of provincial military districts, deputy commanders of major military regions, deputy commanders of naval vessels, and presidents of various military academies.

[34]See "Chinese Communist Military Ties to the West," *Studies on Chinese Communism* (Taipei), Oct. 15, 1989, pp. 87–95; and *China Daily* (Beijing), Aug. 18, 1989, which discusses the advances in naval modernization.

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A sign on a Beijing city bus in March 1990 proclaims that the transit company's employees have been given an award for their successes in a movement to recreate the spirit of Lei Feng.

—Reuters/Bettmann Newsphotos.

aimed at strengthening the organizational unity, doctrinal purity, and personal commitment of party cadres; and (2) renewed attention to political "reform" measures.

The effort at party-building has focused on ideological education campaigns, conventional party rectification measures, and renewed attention to the norms of democratic centralism, largely through such specific activities as: (1) the intensified discussion of theoretical issues in party journals and papers; (2) the increased use of party small-group discussion sessions employing criticism, self-criticism, and the study of Marxism-Leninism and Mao Zedong Thought; (3) the use of campaigns extolling the virtues of model communists such as the soldier Lei Feng; and (4) punitive measures, such as the internal investigation and reregistration of party members, aimed at weeding out supporters of "bourgeois liberalization."[35]

These attempts by the center to remedy the deficiencies of the party apparatus are encountering serious obstacles. In fact, resistance has proven to be extremely strong. Most party members are reportedly indifferent to Beijing's efforts, and only a relatively small number of problems have been exposed and even fewer members expelled. Despite much rhetoric and repeated pronouncements, the promised investigation, reregistration, and purge of the party apparatus apparently have either not taken place or are simply being carried out on a pro forma basis, resulting in few actual personnel changes. Among other reasons, higher-level cadres have apparently acted to shield subordinates. As of early June 1990, it appears there has been a de facto suspension of the effort.[36] Resistance within the rank and file to central initiatives is also suggested by continued references in the Chinese press to party members' lack of understanding of the concept of party-building and their half-hearted compliance with measures designed to promote it.[37]

In the post-Tiananmen era, political reform has largely become synonymous with the notion of clean and responsive government. The effort has focused mainly on the revival of a range of measures associated with the mass-line concept used by the communists throughout the 1950's, 1960's, and early 1970's but considered obsolete in the reform era. These measures include:

[35]In July and December, important conferences on party-building and ideological study were convened by the Party Organization Department and other units. Most important was a symposium of the Theoretical Research Class on Party-Building held in late December/early January. Both Jiang Zemin and Song Ping made important speeches at this forum. See Beijing Xinhua in English, July 31, 1989, in *FBIS-CHI*, Aug. 7, 1989, pp. 21–22; and Beijing Xinhua Domestic Service in Chinese, Jan. 5, 1990, trans. in ibid., Jan. 9, 1990, pp. 11–12. See also *China News Analysis*, No. 1407, 1990, for one view of the overall attempts at party-building since Tiananmen.

For details on the Lei Feng campaign in the party, see Beijing Xinhua in English, Feb. 24, 1990, in *FBIS-CHI*, Mar. 2, 1990, p. 23; Beijing Xinhua Domestic Service in Chinese, Mar. 5, 1990, trans. in ibid., Mar. 7, 1990, pp. 30–31; and Beijing Domestic Service in Mandarin, Mar. 7, 1990, trans. in ibid., Mar. 9, 1990, pp. 17–18. The earliest hint of a party investigation and purge is in Song Ping's August speech on party problems (see fn. 3).

[36]See *Ching Pao*, Nov. 10, 1989, trans. in ibid., Nov. 14, 1989, pp. 27–31; and *Pai Hsing* (Hong Kong), Dec. 16, 1989, trans. in ibid., Dec. 19, 1989, p. 16. Despite the fact that the investigation/purge process was apparently to begin soon after Tiananmen, as indicated above, it was only in October that *China Daily* first spoke of the "imminent" launching of a large-scale purge of cadres in predominantly urban areas. See *China Daily*, Oct. 11, 1989. But a Hong Kong source later stated that the reregistration drive was not actually launched until shortly before the Spring Festival (late January 1990). See *Hong Kong Standard*, Feb. 3, 1990, in *FBIS-CHI*, Feb. 6, 1990, pp. 7–8. And the Mar. 13, 1990, *Jiefangjun bao* suggested only that a *future* purge may be in the works, indicating that few results had been produced by attempts at investigation and reregistration. Finally, the June 3, 1990, *New York Times*, stated that the party purge "has been subverted so that the vast majority of party members are being 'reregistered' even if they were involved in the democracy movement."

[37]See Jiang Zemin's speech to the closing session of the Fifth Plenum, in Beijing Xinhua in English, Nov. 21, 1989, in *FBIS-CHI*, Nov. 21, 1989, pp. 17–21. Provincial reports indicate that township party committees in some areas have members who "do not sufficiently understand the need for greater party-building following reform and opening to the outside world; and they lack confidence about doing the work of a CCP committee well." See *Fendou* (Harbin), No. 12, 1989, p. 43, trans. in Joint Publications Research Service (hereafter, JPRS), *China* (Washington, DC), CAR-90-010, Feb. 7, 1990, p. 77. As recently as mid-March 1990, references were made by the press to the continued "negative attitude" and resistance of party cadres toward decisions of the Central Committee. See *Jiefangjun bao*, Mar. 13, 1990, trans. in *FBIS-CHI*, Apr. 13, 1990, pp. 4–6.

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(1) the sending of cadres to the grass roots to reinvigorate local party branches, strengthen popular support for party economic and social policies, and improve the work habits of higher-level cadres by having them "learn from the masses"; (2) the intensification of pre-Tiananmen efforts at so-called cooperation and consultation between the CCP and the democratic parties of China; (3) the strengthening of links between the party and major mass organizations such as trade unions, women's federations, and the communist youth league; and (4) the intensified effort to attack corruption within the party and the government, aimed largely at the abuse of power by cadres for personal gain.[38]

The attack on party corruption has achieved very incomplete results in a few areas and almost no results whatsoever in some of the most important areas. In November 1989, *Beijing Review* stated that serious problems had been encountered in the center's attempt to end corruption among the more than 60,000 companies established by party and state organs at the central and local levels. These companies employ nearly 50,000 party and state cadres above the county level in full- or part-time jobs.[39] More recently, a Hong Kong source cited a high-level official in charge of the anti-corruption effort as saying that thus far it has achieved few successes, and many localities are still confronted by enormous corruption. The official noted many popular complaints concerning the anti-corruption campaign in a document presented to the national meeting of the Chinese People's Political Consultative Conference in March.[40]

Resistance to the effort to revive the mass line by sending higher-level party cadres to the grass roots has been particularly intense. The launching of this campaign was delayed, and subsequent upward revisions were made in the estimated amount of time required to carry it out.[41]

Perhaps most indicative of the lack of progress in attempts at party-building and political reform is the leadership's continued emphasis on the need to establish and maintain stability within the country in general and throughout the party in particular. This theme obviously became a major one immediately following the Tiananmen massacre. Yet despite months of efforts, the party leadership still continues to stress that stability is the main task of the moment.[42]

Economic sphere. At the center of Beijing's efforts in the economic sphere is a program of retrenchment, austerity, and readjustment aimed at strengthening discipline and unity within bureaucratic organs (from ministries to local government units) and recentralizing control over key economic sectors in order to establish the basis for further growth in a "sustained, steady, and coordinated manner."[43] Specifically, Beijing is attempting to strengthen its administrative control over general price levels and financing for consumption and investment, the distribution of material supplies, foreign economic activities, the activities and finances of both township and village enterprises and private businesses, and provincial and local revenues going to the central government. In addition, in the countryside, the regime is attempting to expand collective activities and

[38]In general, the proceedings of the Sixth Plenum of March 1990 provide the clearest example of the general emphasis placed by the leadership on reviving the mass line. The decision of the plenum is in Beijing Xinhua in English, Mar. 12, 1990, in ibid., Mar. 13, 1990, pp. 9–12.

On links between the CCP and China's other parties, see "Guidelines Proposed by the Central Committee of the Communist Party of China for Upholding and Improving the System of Multi-Party Cooperation and Political Consultation Under the Leadership of the Communist Party," *Beijing Review,* No. 10, 1990, pp. 18–22. On party links with mass organizations, see Beijing Xinhua Domestic Service in Chinese, Jan. 31, 1990, trans. in *FBIS-CHI,* Jan. 31, 1990, pp. 5–9. The attack on corruption after Tiananmen was expressed in the joint decision of late July 1989 by the Party Center and the State Council "Concerning the Undertaking of Seven Tasks of Great Concern to the People in the Near Future." For a discussion, see *China News Analysis,* No. 1407, 1990, pp. 5–7.

[39]*Beijing Review,* No. 46, 1989, pp. 14–19.

[40]The official stated that many leading cadres still resist the fight against corruption, believing that anti-corruption measures will affect economic construction, hinder production, and stifle the economy. See Beijing Xinhua in English, Mar. 21, 1990, in *FBIS-CHI,* Mar. 22, 1990, pp. 24–25.

[41]The sending of cadres to the grass roots only began in earnest in February 1990, after months of apparent footdragging. Some early indications of cadres being sent down occurred in December in Heilongjiang, Hebei, and Henan, areas that have generally been supportive of the calls for party-building. See *Renmin ribao,* Jan. 9, 1990, trans. in ibid. (Supplement), Feb. 16, 1990, pp. 92–93, for Hebei; *Fendou,* No. 12, 1989, p. 43, trans. in JPRS, *China,* CAR-90-010, Feb. 7, 1990, pp. 77–78, for Heilongjiang; and Zhengzhou Henan Provincial Service in Mandarin, Dec. 30, 1989, trans. in ibid., CAR-90-006, Jan. 25, 1990, p. 87, for Henan. The vast majority of provinces did not respond until after that time, however. The secretary of the Hebei Provincial Party Committee confirmed that the tendency to neglect grass-roots work exists in many localities and that as a result, "policies of the central authorities and of the province were being 'held up' or 'had changed shape.' Particularly during the relay of policies from the rural areas to townships, blockages will occur." *Renmin ribao,* Jan. 9, 1989, trans. in *FBIS-CHI* (Supplement), Feb. 16, 1990, p. 92. In October, *Renmin ribao* indicated that the leadership had expected it would take six months to fortify its basic-level rural organs. However, by mid-January, provincial authorities in some areas were stating that it would take two to three years to straighten out rural party branches! See *Renmin ribao,* Oct. 11, 1989; and Changchun Jilin Provincial Service in Mandarin, Jan. 17, 1990, trans. in *FBIS-CHI,* Jan. 30, 1990, pp. 47–48.

[42]For example, a *Renmin ribao* (Overseas Edition) front page article on the anniversary of the Tiananmen massacre was entitled "Stability Overrides All Other Considerations." See *Renmin ribao* (Overseas Edition), June 4, 1990, trans. in ibid., June 4, 1990, p. 28. Deng Xiaoping confirmed the extent of instability in the CCP in early September 1989 when he stated that the position of the new post-Tiananmen Politburo Standing Committee would be secure if the overall situation in the nation became stable in another two to three years! *Wen Wei Po* (Hong Kong), Nov. 20, 1989.

[43]See Li Peng's address to the National Planning Conference, in *Qiu shi,* No. 1, 1990, p. 13.

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channel more funds into rural investment.[44]

At the center of these recentralizing efforts is the attempt to strengthen the capabilities of the State Planning Commission and increase its supervision over key state-run enterprises, which are supposedly at the core of the current readjustment policy. To this end, Beijing has established a Production Commission of the State Council within the State Planning Commission. It is staffed by the vice-ministers of 17 state commissions and ministries and has functions similar to those of the abolished State Economic Commission.[45]

Beyond such largely administrative measures, the central leadership has also sought to increase its control over the economy at the micro and macro levels by strengthening the position of the party within factories and enterprises as well as within ministries and regional and local administrative organs. This effort largely reverses the trend established after the 13th Party Congress of 1987, which advocated the removal of party organs from a range of government organizations as part of the reform goal of separating party and state functions.[46]

These measures have been largely ineffectual. The past pattern of economic protectionism employed by localities against one another and against the center has intensified under the retrenchment program, as a result of increased scarcities and the basic inability or unwillingness of the center to break the hold of local governments over enterprises and factories in their jurisdiction.[47] The top leadership in Beijing has apparently been forced to make personal visits to key southern cities in an attempt to persuade these areas to support its policies.[48] This local resistance is at least partly responsible both for the center's moderation of its policy of squeezing the private sector and for the partial reversal of the tight money policy that occurred at the end of 1989. These steps have led to an increase in bank loans over expected levels.[49] In addition, the specific attempt to increase revenues through tightened taxation control over both urban and rural localities and private businesses has met with strong resistance, including considerable violence, and some areas have resorted to numerous kinds of subterfuge to avoid complying with central directives.[50]

Beijing's efforts to strengthen collective economic activities and increase investment in the countryside are also producing unintended consequences. Despite repeated assurances from the leadership that attempts by the state to pool agricultural materials, land, and labor to allow for a more efficient use of agricultural resources will be based on "the farmers' own free will," and will not threaten the basic household responsibility system, considerable resistance has emerged to any attempts at re-collectivization. Some of this resistance was apparently prompted by the use of forcible methods by overzealous local cadres. But the general trend seems to be joint opposition to Beijing's policies by ordinary peasants and cadres alike, both of whom fear a leftward shift in agricultural policy. As a result, Beijing's efforts have thus far achieved few concrete results.[51]

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[44]General statements of these goals are contained in: (1) the documents of the Fifth Plenum; (2) speeches by Li Peng to the December National Planning Work Conference and the February National Economic Restructuring Work Conference and his Government Work Report to the National People's Conference of March 1990; and (3) the proceedings of the National Conference on Agricultural Development of November-December 1989. For summaries and/or complete texts of these documents, see *Beijing Review*, No. 7, 1990, Supplement, pp. i–xvi; Beijing Xinhua Domestic Service in Chinese, Dec. 26, 1989, trans. in *FBIS-CHI*, Jan. 3, 1990, pp. 12–18; Beijing Xinhua Domestic Service in Chinese, Feb. 24, 1990, trans. in ibid., Feb. 27, 1990, pp. 27–32; Beijing Domestic Service in Mandarin, Mar. 20, 1990, trans. in ibid., Mar. 21, 1990, pp. 13–33; and *China News Analysis*, No. 1401, 1990.

[45]These functions include: (1) the implementation and supervision of a "two-way guarantee system" for 234 key state-run industrial enterprises (mostly major producers of energy, raw materials, important equipment, and daily necessities) whereby the state guarantees the supply of essential inputs and the enterprises in turn guarantee certain contracted levels of profits, taxes, and products; (2) the organization and implementation of state plans for production, allocation, and transport among different regions, departments, and enterprises; (3) improving the circulation of key production materials such as coal and steel; (4) improving the general management of industrial enterprises; and (5) overseeing the importation of key machinery items. See *Ching Chi Tao Pao* (Hong Kong), Dec. 18, 1989; *Hong Kong Standard*, Dec. 18, 1989; and *China Daily*, Mar. 14, 1990.

[46]*South China Morning Post*, Jan. 8, 1990; the documents of the Fifth Plenum cited in fns. 37 and 44; *China News Analysis*, No. 1405, 1990, p. 3; and Beijing Xinhua Domestic Service in Chinese, trans. in *FBIS-CHI*, Feb. 12, 1990, pp. 23–26.

[47]*South China Morning Post* (Business Post), Mar. 5, 1990, in ibid., Mar. 5, 1990, p. 31; *Ching Chi Tao Pao*, Mar. 5, 1990 trans. in ibid., Mar. 16, 1990, p. 24; and *Nihon Keizai Shimbun* (Tokyo), May 10, 1990, trans. in ibid., June 4, 1990, p. 11. Although the major purpose of local protectionist actions during the reform period prior to fall 1988 was largely to prevent the outflow of resources, under the stringent austerity measures, emphasis has reportedly shifted to preventing the inflow of finished products from other localities, in order to protect the sale of local products.

[48]See *Renmin ribao*, Feb. 10, 1990, trans. in ibid., Feb. 14, 1990, pp. 11–12, for a discussion of the visits by most of the senior leadership to Guangdong, Hainan, and Fujian provinces during a three-week period. Resistance has been strongest among the coastal and southern provinces, which have developed the most (and have undergone the most extensive changes in structure and outlook) as a result of the reforms. See Prybyla, loc. cit., p. 16, and Shirk, loc. cit., pp. 346–47, 355, for general discussions of the strength of coastal interests.

[49]*South China Morning Post*, Jan. 13, 1990; *South China Morning Post*, Mar. 19, 1990, in *FBIS-CHI*, Mar. 19, 1990, p. 27; and *South China Morning Post*, Mar. 23, 1990, in ibid., Mar. 29, 1990, pp. 43–44.

[50]*China News Analysis*, No. 1401, 1990, p. 3, and No. 1405, 1990, pp. 5, 8. See also *China Daily*, Dec. 27, 1989; *South China Morning Post*, Jan. 1, 1990; and *The New York Times*, June 3, 1990.

[51]The quote is from Jiang Zemin's National Day Address, cited in *China News Analysis*, No. 1401, 1990, pp. 8–9. An editorial in the *Peasant Daily* (cited in *The Christian Science Monitor* [Boston, MA], Feb. 5, 1990) attacked some party branches for crippling and even destroying the collective village economy, which is not surprising, given the general changes discussed above.

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Yang Shangkun (left), Deng Xiaoping (center), and Jiang Zemin at the Fifth Plenum of the 13th Central Committee of the Chinese Communist Party on November 10, 1989.

—Wang Xinqing/Xinhua.

The central authorities have apparently recognized the shortcomings of policies designed to reassert central economic control over the locales. In a speech to local authorities in early October, Li Peng directly referred to continued resistance by localities to Beijing's efforts at rectification and austerity when he stated that "their estimation of the situation is completely different from that of the central authorities."[52] The extent of the resistance was also reflected in the November 1989 Fifth CCP Plenum, which was reportedly delayed because of "heated debate" between the center and provincial representatives.[53] The plenum was followed by extensive media attacks on localism and local resistance to state policies and repeated demands that individuals and units at the local level change their attitudes and support the interests of the nation.[54]

The attempt to strengthen state-run enterprises, largely at the expense of the dynamic TVE's, is not meeting with great success either. Although many TVE's have been eliminated, merged, or switched to other production lines in response to central pressures, both local governments and local party organs alike have insisted on the importance of TVE's to the economy as a whole. Their resistance has led to a moderation in central policy toward the TVE's.[55]

It is still too early to determine whether Beijing's attempt to reinvigorate the planning structure through the establishment of a production commission will have the effect the center desires, but the signs certainly do not point in that direction. Given the highly fragmented structure of the economic bureaucracy and the changing interests of central economic officials, it would be surprising if this effort achieves even some of its goals. It should be noted that an ad hoc group with a very similar mandate was reportedly established in spring 1989. The need for a second such organ suggests that at least one attempt at coping with the government's eco-

[52]*Renmin ribao* (Overseas Edition), Oct. 27, 1989, trans. in *FBIS-CHI*, Oct. 27, 1989, pp. 15–18. The speech was given on Oct. 11, 1989.

[53]See *Hong Kong Standard*, Nov. 2, 1989; and *South China Morning Post*, Nov. 3, 1989, in *FBIS-CHI*, Nov. 3, 1989, p. 13.

[54]A Nov. 18, 1989, *Renmin ribao* editorial on the plenum focused almost exclusively on the need for everyone to take the interests of the whole into account, mentioning this no fewer than 12 times. Another editorial of Dec. 24, 1989, was particularly vehement in its denunciation of localist behavior when it accused local governments of continuing to retain funds or extract them illegally from local factories and enterprises under their control by claiming that they are following the policies of the center. In his address to the National Planning Conference, Li Peng also showed the gravity of the problem by stressing that the most important criteria for evaluating leading cadres in the future should be whether or not they take the interests of the whole as predominant when deciding policy. See Beijing Xinhua Domestic Service in Chinese, Dec. 26, 1989, trans. in ibid., Jan. 3, 1990, p. 18.

[55]Delfs, loc. cit., pp. 64–65; *Wen Wei Po*, Nov. 13, 1989, trans. in *FBIS-CHI*, Nov. 13, 1989, pp. 41–42; and *Ta Kung Pao* (Hong Kong), Jan. 16, 1990, trans. in ibid. (Supplement), Feb. 9, 1990, pp. 41–43.

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nomic problems through organizational tinkering has already failed.[56]

By the end of 1989, Beijing's recentralization strategy had succeeded in dampening both demand and inflation, but it had not improved China's economic performance. Instead, it produced a pattern of stagnation that has continued up to the present. The center has succeeded in exerting influence over the economy only by constraining, or in some cases, entirely shutting down, certain types of activities or by attempting to placate the populace through the adoption of such measures as raising state wages, increasing subsidies, alleviating the housing problem, and paying off government IOU's to peasants.[57] As a result, the country is now facing the prospect of a major recession.[58]

Military sphere. The military's experience in the Tiananmen massacre, combined with the subsequent rise of the hard-line civilian leadership, has prompted an enormous effort to undermine the move toward professionalization. This effort has centered on attempts to strengthen party control and discipline at all levels of the military. Added impetus has been given to this effort by the events in Eastern Europe, particularly in Romania, which showed that the army could indeed "turn color" and support pro-democracy elements, thus precipitating the overthrow of a communist system.

As with the attempt to purify and discipline the party and the economy, the effort to reverse the trend toward professionalizing the army has several aspects, some already hinted at above. First, Beijing is reportedly attempting a thorough investigation of all PLA leadership organs, especially those involved in Tiananmen. This investigation has been accompanied by a major reshuffle of top leaders of key PLA units, including senior officers of the seven military regions.[59] Political rhetoric specifically aimed at the PLA has also intensified in an attempt to raise politics and ideology to a position of primary importance within the military. A major part of this effort to intensify political study has focused on the revival of a campaign to inculcate proper revolutionary virtues by emulating the exploits and attitudes of the model soldier Lei Feng.[60] Renewed emphasis has been placed on political study by all soldiers (70 percent of the training curriculum of new army recruits is now devoted to such study), while ideological evaluation of younger officers has been stepped up, presumably as part of a screening process for possible promotion to leading posts. Study classes have also reportedly been held among party committees within the units of the PLA General Staff Department, the first of their kind in the history of the General Staff.[61] Another major element of the leadership's attempts to deal with the problems within the PLA focuses on the reinvigoration of party organs (largely eliminated under Deng's reforms), the prohibition of any involvement in PLA affairs by groups or parties other than the CCP, and the raising of the influence of political commissars.[62]

In line with the attempt to increase the influence of politics and ideology in the PLA is the new emphasis on the military's engagement in internal police functions. This additional task is closely linked to the strong emphasis placed on the subversive threat posed by the so-called "peaceful evolution" strategy of the West, allegedly devised by the US to subvert political power in socialist countries internally through various peaceful means, such as economic and cultural contacts.[63] But this new mission undermines, in the minds of many soldiers, the PLA's traditional dedication to the defense of the nation against foreign enemies.

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[56]*Hong Kong Standard,* Dec. 18, 1989.

[57]See, for example, *Tang Tai* (Hong Kong), Mar. 3, 1990, trans. in *FBIS-CHI,* Mar. 16, 1990, pp. 19–20, for a discussion of these placating actions.

[58]"Much Pain, Little Gain," *The Economist,* Feb. 17–23, 1990, pp. 35–36; *The Wall Street Journal* (New York), Feb. 12, 1990; CEI Database in English, Feb. 6, 1990, in *FBIS-CHI,* Feb. 6, 1990, pp. 14–15; and The Economist Intelligence Unit, *Country Report: China, North Korea,* Mar. 20, 1990, pp. 6, 16–18.

[59]*South China Morning Post,* June 28, 1989, in *FBIS-CHI,* June 28, 1989, p. 12. See also *Kuang Chiao Ching* (Hong Kong), No. 203, 1989, trans. in JPRS, *China,* CAR-89-104, Oct. 24, 1989, pp. 38–41; *Cheng Ming* (Hong Kong), Nov. 1, 1989, trans. in *FBIS-CHI,* Nov. 6, 1989, pp. 30–34.

[60]This campaign began shortly after the All-Army Political Work Conference but did not reach a peak until March 1990, the 27th anniversary of Mao's original call to learn from Lei Feng. Beijing Xinhua in English, Mar. 5, 1990, in ibid., Mar. 6, 1990, p. 31.

[61]The need to focus on increasing political and ideological work within the PLA as the major task of "army-building" was asserted by an enlarged meeting of the CCP Central Military Commission (CMC) held on November 10–12, 1989. See Beijing Xinhua Domestic Service in Chinese, Nov. 13, 1989, trans. in ibid., Nov. 14, 1989, pp. 23–25; and Tai Ming Cheung, "Rank Insubordination," *Far Eastern Economic Review,* Feb. 1, 1990, p. 22. This theme was then taken up by the subsequent All-Army Political Work Conference, mentioned above, in December 1989. See *Tang Tai,* Dec. 30, 1989, trans. in *FBIS-CHI,* Jan. 3, 1990, pp. 8–9; and *Renmin ribao,* Dec. 30, 1989, trans. in ibid., Jan. 9, 1989, pp. 19–22.

[62]See the Proceedings of the All-Army Political Work Conference, cited in fn. 60. The general strengthening of party organs and growing influence of political commissars within the PLA is discussed in *Tang Tai,* Dec. 30, 1989, and "Much Pain, Little Gain," loc. cit., pp. 35–36. *Tang Tai,* Jan. 6, 1990, also confirms that the work conference decided to revive those party organs within specific departments of the PLA that had been abolished under the reforms.

[63]The December All-Army Political Work Conference stressed the need for the PLA to perform the essential political function of fighting internal subversion, as part of the struggle against plots by "hostile international forces" to carry out "peaceful evolution." See *Renmin ribao,* Feb. 14, 1990, trans. in *FBIS-CHI* (Supplement), Feb. 2, 1990, pp. 17–19. For a more complete definition of the "peaceful evolution" strategy, supposedly first advanced in the 1950's by John Foster Dulles, see Shu Yu, "The West's Peaceful Evolution Strategy Examined," *Beijing Review,* No. 43, 1989, pp. 9–10.

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Yang Baibing, head of the PLA's General Political Department.

—New China Pictures Co. via EASTFOTO.

The General Political Department and the General Staff Department of the PLA comprise the main forces behind the effort at repoliticization. Key conferences, media campaigns, and articles associated with this effort have been directed largely by these two organs, and especially by the former, which convened a crucial All-Army Political Work Conference in December 1989. The General Political Department also controls the major military newspaper.[64]

Yang Baibing, head of the General Political Department, has stood in the forefront of the effort at repoliticization. He has associated himself with both the theory of "peaceful evolution" and the revival of the Lei Feng campaign. Yang has also been one of the strongest critics of Zhao Ziyang, presenting perhaps the sharpest condemnation of the deposed party chief found in the public remarks of the post-Tiananmen leadership.[65] Essential support for Yang's efforts has been provided by his elder half-brother, President Yang Shangkun, senior active officers within the military, and members of the Central Advisory Commission (CAC), which includes both conservative civilian officials and a large number of retired senior military officers.[66]

Given the entrenched nature of the professionalization movement within the military, it is not surprising that the efforts to purify and unify the PLA have not produced the desired results. A variety of evidence supports this conclusion. First, investigations within the military have met with continuous delays, and the promised reshuffle of leadership posts was also reportedly delayed, apparently because of very strong resistance within the PLA. The center was only finally able to carry out the reshuffling in May, after personal visits to military regions by Yang Baibing.[67]

Second, despite the holding of many conferences and innumerable attempts at indoctrination over the past year, the center still stresses the continued need to conduct political and ideological work within the PLA. Top military leaders and the media continue to call for

[64]See *South China Morning Post,* Nov. 22, 1989; and *Jiefangjun bao,* Dec. 19, 1989, and Jan. 1 and Jan. 7, 1990. The *Jiefangjun bao* editorial of Jan. 7, 1990, is perhaps most representative of the type of polemical pieces appearing in that paper since Tiananmen.

[65]Yang presided over the December Political Work Conference and gave a speech propounding the tasks, guiding thought, principles, and work methods to be used in the military. See *Jiefangjun bao,* Dec. 19, 1989, trans. in *FBIS-CHI* (Supplement), Jan. 26, 1990, pp. 32–34. Yang also wrote an article entitled "The New Era Cries for More Lei Fengs" in January 1990. See *Zhongguo qingnian bao* (Beijing), Feb. 2, 1990, trans. in ibid., Mar. 6, 1990, pp. 23–25; Beijing Xinhua Domestic Service in Chinese, Mar. 6, 1990, trans. in ibid., Mar. 8, 1990, pp. 35–36; and Beijing Xinhua Domestic Service in Chinese, Mar. 6, 1990, trans. in ibid., Mar. 9, 1990, pp. 18–19, for Yang's involvement in various Lei Feng conferences called in early March. For Yang's harsh criticism of Zhao, see *South China Morning Post,* Dec. 28, 1989, in ibid., Dec. 28, 1989, pp. 23–24.

[66]Wilson and You, loc. cit., p. 41, state that more than two-thirds of CAC members are either retired or active military personnel. See also Pen She, "Looking at the Chinese Communist Armed Forces from the Angle of the 4 June Great Massacre," *Studies on Chinese Communism,* Sept. 15, 1989, pp. 1–5.

[67]See *Kuang Chiao Ching,* No. 203, 1989, trans. in JPRS, *China,* CAR-89-104, Oct. 23, 1989, pp. 38–41; and *Cheng Ming,* Nov. 1, 1989, trans. in *FBIS-CHI,* Nov. 6, 1989, pp. 30–34. Both the *South China Morning Post* of Nov. 7, 1989, and Tai Ming Cheung, "The Last Post," *Far Eastern Economic Review,* Nov. 23, 1989, pp. 10–11, suggested that a major reshuffle of senior PLA leadership was expected by the end of 1989, while the Hong Kong press was still talking about an "intended" examination of senior military (and party) cadres in January. See also *Cheng Ming,* Jan. 1, 1990.

As several observers have pointed out, the highly irregular manner in which the long-delayed personnel shifts were announced (during quickly prepared personal visits to each military region by Yang Baibing, head of the PLA's General Political Department, rather than by CMC Chairman Jiang Zemin at a meeting of the CMC in Beijing) also suggests that the move is the subject of much controversy, and may even lead to an escalation of the struggle within the PLA between the forces associated with Yang Baibing and the moderates. For somewhat detailed analyses of the reshuffle and its connection with the ongoing debate within the military, see *Sankei Shimbun* (Tokyo), Apr. 24, 1990, trans. in *FBIS-CHI,* May 2, 1990, p. 7; *Ming Pao,* May 4, 1990, trans. in ibid., May 4, 1990, pp. 22–23; *South China Morning Post,* May 9, 1990, in ibid., May 10, 1990, pp. 54–55; and *Cheng Ming,* June 1, 1990, trans. in ibid., June 1, 1990, pp. 9–13.

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unity within the military and demand the strengthening of party control.[68] Along the same lines, indications are that the Lei Feng campaign is resulting in feigned compliance rather than changed attitudes within the military (and party), and may, in fact, have prompted a negative reaction by moderate party leaders opposed to Yang Baibing and Yang Shangkun.[69]

Third, reports have appeared in the Hong Kong press of the recent discovery of "counterrevolutionary organizations" within various units of the PLA, particularly in the Shenyang, Beijing, and Nanjing garrisons. Although these groups are few in number and apparently have few members, the reporting of such phenomena suggests the depth of dissension of some members of the PLA.[70]

Fourth, the extent to which internal divisions and resistance continue to plague the PLA is most clearly reflected in the fact that in recent months the top leadership has repeatedly stressed that the "peaceful evolution" campaign of the West is now specifically focused on the military, allegedly creating continued unrest and continued support for bourgeois liberalization within its ranks. This concern suggests that the central leadership is attempting to justify its inability to implement its policies within the military by pointing to the supposed subversive influence of outside forces beyond Beijing's control.[71]

Finally, as in the state sphere, the inability of the center to motivate the military has apparently resulted in attempts to simply placate it. This is mainly reflected in an increase in overall defense funding in the state budget, a reversal of the downward trend of the past few years.[72]

Conclusion

The complex process of systemic change that has taken place in China, largely under the reforms, has had a major adverse impact on the capacity of the center to develop the kind of innovative policies needed to overcome its enormous problems, thus casting doubt on the applicability of either the "totalitarian revival" or the "irresistible reform" paradigm. One might assert that the examples of policy failure cited above simply reflect broad-based resistance to a return to the past by forces favoring continued political and economic reforms, rather than any fundamental incapacity of the regime. Yet, as this article has attempted to show, the elements within the state and party apparatuses that obstruct the center (both intentionally and unintentionally) in most cases derive their strength and durability not from a dedication to further change, but from a defense of the status quo rooted in the distortions, inefficiencies, localist structures and attitudes, and informal transactions of China's partially reformed economic system. Drastic changes in this system toward either more open or more closed structures would threaten these interests.

So where does this leave China? After the passing of Deng Xiaoping and the conservative elders, we may see the emergence of a far more decentralized system than anything previously experienced under Chinese communism. This system could be marked by a weak central government locked in prolonged political struggle, yet held together by the strong fear of chaos, most clearly expressed by the military; a balkanized economy with pockets of continued progress existing alongside areas of growing deprivation, each controlled largely by local political machines concerned more with protecting and enlarging their respective economic resources than with challenging the ultimate political authority of Beijing; and continued social frustration and discontent, moderated by periods of limited economic progress and weakened doctrinal control from Beijing.

Of course, the emergence of such a scenario is by no means inevitable. Much depends on the specific degree to which many of the systemic changes discussed

[68]A Feb. 28, 1990, *Jiefangjun bao* editorial, reprinted in *Renmin ribao*, stated that the top priority for the military remains the strengthening of the political firmness of soldiers and cadres. See *Renmin ribao*, Mar. 1, 1990, trans. in ibid., Mar. 1, 1990, pp. 32–33. In an address given on March 24, 1990, to a delegation from the PLA, President Yang Shangkun stressed that the "key problem" within the army was unity. See *Zhongguo xinwen she* (Beijing), Mar. 24, 1990, trans. in ibid., Mar. 29, 1990, p. 31.

[69]See Beijing Xinhua in English, Mar. 5, 1990, in ibid., Mar. 6, 1990, pp. 31–32. In an article on the Lei Feng campaign appearing on the front page of the Mar. 6, 1990, *Jiefangjun bao*, the author stressed the need for the campaign to achieve "actual results," and stated that "party committees and political departments at all levels should give more effective guidance and more effectively ensure the correct orientation of activities. They should prevent and overcome various windowdressing practices that will achieve no actual result" (trans. in ibid., Mar. 29, 1990, pp. 32–33). See also *South China Morning Post*, May 10, 1990, in ibid., May 10, 1990, p. 21, for reference to party resistance to the campaign.

[70]*Cheng Ming*, Jan. 1, 1990. In a rather amazing statement, the political commissar of the Nanjing Military Region asked, at the end of 1989, that units of the region work "more consciously" to acquire a strong confidence in the leadership of the party central committee and the CMC under Jiang Zemin, and to strengthen the confidence of officers and men concerning the economic drive. This request suggested not only continued difficulties within the military over party-building, but also confirms the perception within the regime of great uneasiness regarding the current weak leadership under Jiang. See *Xinhua ribao* (Nanjing), Dec. 29, 1989, trans. in *FBIS-CHI*, Jan. 26, 1990, pp. 38–39.

[71]See *Jiefangjun bao*, Jan. 5, 1990; and the *Jiefangjun bao* editorial reprinted in *Renmin ribao*, Mar. 1, 1990, trans. in *FBIS-CHI*, Mar. 1, 1990, pp. 32–33.

[72]Wang Binqian announced at the NPC session of March 21, 1990, that the defense allocation will increase in 1990 by a little more than 15 percent in nominal terms, while the budget for most other sectors will either decline or be increased by a much smaller percent. See *Ching Chi Tao Pao*, No. 10, 1990, trans. in ibid., Mar. 29, 1990, p. 39.

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above hold true over time, especially the emergence of regional and local power (both formal and informal); the fragmentation of bureaucratic structures; and the altered interests of basic-level cadres, central officials, and urban elites. The key element in this scenario, or any future scenario, will be the actions of the Chinese military. As indicated above, the military is the only major part of the system that has a significant number of relatively powerful, progressive leaders, suggesting that it could become a force for genuine change. Yet support for modernization and professionalization cannot be assumed to be support for democracy and a market economy (indeed, some segments of the PLA are deeply involved in corruption and deal-making). Moreover, in addition to the primary politicization/professionalization debate, other serious, albeit secondary personal and institutional divisions within the PLA undermine its ability to act as a force for positive change. The only interest that can possibly bridge these differences is the commitment of the military, as an institution, to the maintenance of order in China, but under current conditions order spells stagnation.

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Gorbachevian Contradictions

Aurel Braun and Richard B. Day

A prominent Soviet economist and member of the USSR Academy of Sciences, Stanislav Shatalin, has recently described public life in the Soviet Union as a "kingdom of curved mirrors." Shatalin thinks that public officials in this strange kingdom habitually lead a life of self-deception. Mikhail Gorbachev has promised to create humane and democratic socialism, but Shatalin fears that he may instead provoke a resurgence of Great Russian chauvinism and even "fascism." An inability to see things as they really are has led to what Shatalin calls the "bankruptcy of Soviet power."[1]

When the Central Committee decided, in February of this year, to surrender the communist party's monopoly of political power, many Western observers momentarily wondered whether Gorbachev would survive. Within weeks, however, he assumed the new executive presidency and created the impression of another stunning victory. We believe that, in winning such "victories," Gorbachev is in fact losing the war. When he leaves the scene, the universal question in the West will be: "Who lost Gorbachev?" In anticipation of this question, we propose an answer: "Mikhail Gorbachev has lost himself."[2]

Many of Gorbachev's supporters in the West have misread his prospects by asking the wrong questions. When he first took office, the most frequently asked question was whether he was a true "reformer." A more appropriate question would have been: "Is the Soviet system reformable?" Today, the question is whether Gorbachev's policies will be adequate to deal with the growing crisis. We would ask instead: "What institutions, if any, remain to implement the policies that may be decided in Moscow?" A major consequence of the Gorbachev years has been a profound erosion both of governmental authority and of political legitimacy. Developments in the past few months have sharply accelerated this tendency.

The sources of political legitimacy are understood differently in the various traditions of political philosophy. Some political theorists define a government as legitimate if it upholds the rule of law, governs in a procedurally correct manner, and ensures the personal rights of citizens; others link legitimacy with a substantive notion of the "good life," defined with reference either to traditional values or to a consensually determined social purpose. In both views, a legitimate political order is one that, in the minds of citizens, *ought* to go on.

Apart from its efforts to draw on Russian national traditions to support its right to rule, the Stalinist system's claims to legitimacy—as distinct from arguments based on historical "necessity"—were anchored in its promise of an economically secure future. By scientifically planning the national economy, the Soviet rulers would industrialize the country and eventually raise living standards. But the incorporation of the economy within the political system also had other implications. In the later years of Leonid Brezhnev's rule, economic stagnation was creating the potential for a manifest cri-

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[1] *Pravda* (Moscow), Feb. 8, 1990.

[2] For a preliminary interpretation of the issues addressed in this article, see the authors' article in *Globe and Mail* (Toronto), Feb. 20, 1990.

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sis of political legitimacy. The existing order was proving less capable of providing material compensation for denial of political freedom. In these circumstances, the question of how to reform the planned economy led to a more fundamental issue: "Why should it continue to exist?"

Mikhail Gorbachev's earliest statements as party leader indicated a profound misunderstanding of the emerging legitimacy crisis of the Soviet system. The moral bankruptcy and political corruption of the old order were clear, but Gorbachev hoped that the deceleration of growth might be reversed. Warning that the country was in a "pre-crisis" situation, he was convinced that traditional institutions might be given a new lease on life through reform from above. Committed as he was to saving the Soviet system, Gorbachev was also its product. His approach to reform, especially during his first years in office, reflected the disdain for the Soviet people long associated with the vanguard party created by Lenin and Stalin.[3]

Understanding the Vanguard System

One of the fundamental canons of the vanguard system, that is, of Leninism, is the belief that the masses cannot comprehend the objective laws of history and economics. Gorbachev conceived of political leadership in terms of this vanguardist mentality. He described his task as one of restructuring the "consciousness and sentiment" of the people in order to realize the objective potential of the scientific and technological revolution.[4] The "human factor" had become the weak link in central planning, and Gorbachev thought labor discipline had to be restored by changing "the minds and mood of personnel from top to bottom."[5] The prevalence of bribe-takers, black marketeers, social parasites, and drunkards indicated that reform must begin with the "psychology of the cadres."[6]

Gorbachev rejected the crudity of Stalinist methods, but, in the years 1985–87, his economic policies reflected traditional planning priorities. Notwithstanding continuous shortages of consumer goods, he insisted that the country embrace an overriding macroeconomic strategy: concentration of all available resources upon

[3]For Gorbachev's relation to the traditions of Soviet thought, see R. B. Day, "The Blackmail of the Single Alternative: Bukharin, Trotsky, and *Perestroika*," *Studies in Soviet Thought* (Higham, MA), forthcoming.

[4]Mikhail Gorbachev, *Selected Speeches and Articles*, Moscow, Progress, 1987, p. 448.

[5]Ibid., p. 126.

[6]Ibid., p. 368.

Dissident demonstrators at the 1990 May Day parade in Red Square carry banners proclaiming: "We Are Fed Up with Waiting and with the Budget Deficit," and "Control to the Trade Unions."

—A. Nogues/SYGMA.

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technical modernization as the material prerequisite for raising labor productivity. The heavy industries had to play the "key role."[7] The machine-building, chemical, electronic, and electrical engineering sectors had to grow at an "accelerated pace."[8] During the 12th five-year plan, capital investments in machine-building had to increase by 80 percent.[9] These traditional aspects of Gorbachev's "new thinking" indicated complete insensitivity to the problem of legitimacy of the vanguard system and helped to precipitate the political and economic crisis that the Soviet Union faces today.

By promoting *glasnost'*, Gorbachev invited the Soviet people to vent openly their frustration against the bureaucracy. The most direct way in which to discipline officials was to confront them with the loss of power and privilege. The invocation of criticism from below was designed to reinforce Gorbachev's leadership from above.[10] While focusing upon the issue of discipline, however, Gorbachev failed to understand that leadership itself requires legitimation if social change is to occur in an orderly manner. *Glasnost'* was a half-step: it encouraged the public to denounce bureaucratic malfeasance; it did not commit the top leadership to enter into dialogue with the people.

In an economy that systematically victimized consumers, who could only turn to the black market to satisfy elementary needs, Gorbachev continued the tradition of holding the victims responsible for not comprehending the needs of the system. After five years in power, the results are clear. Gorbachev has alienated large sections of the population, paralyzed the party and government, and thus precipitated a general crisis of the vanguard system. He has belatedly diverted resources from industrial modernization into production of consumer goods, but this change of priorities has come too late to prevent catastrophic shortages even of basic necessities. Instead of questioning his own role in these developments, today Gorbachev is asking history for lessons in how to set matters right. Some of his advisers are recommending that he look to the United States for answers.

American History in a Curved Mirror

Soviet scholars believe that capitalism, during the Great Depression of 1929–33, passed through a "general crisis" of a magnitude comparable to that in the Soviet Union today.[11] Aleksandr Yakovlev, drawing upon this interpretation, has therefore urged Gorbachev to emulate Franklin Delano Roosevelt's success in achieving "revolution in evolution."[12] Yakovlev believes that by imposing "state-monopoly regulation," Roosevelt transformed capitalism from within and thereby saved the most reactionary elements of the capitalist class from their own folly. He hopes that Gorbachev, by moving in the opposite direction and building a market into socialism, might likewise transform the existing order without a fundamental disruption of its continuity.

To search in Roosevelt's experience for a solution to the Soviet general crisis is an exercise in self-deception. American history is being interpreted in the reflection of curved mirrors. The Great Depression began in the wealthiest nation on earth. It was a crisis of overproduction caused by a decline of investment activity. With its real production capacity intact, the American economy was revived by government borrowing of idle capital first to finance an increase of public expenditures and then to fight World War II. The causes of the crisis, the circumstances in which it occurred, and the remedies found bear no relation to current difficulties in the Soviet Union.

But the most self-deceiving flaw in this analogy lies elsewhere. Despite its severity, the Great Depression never shook the foundations of American political institutions. The Presidency, the Congress, the Supreme Court, the state and local governments were regarded by the public as legitimate institutions commanding loyalty and respect. Speculators and bankers were viewed as profiteers, but there was no significant erosion of public fidelity to the Constitution or its agents. The most striking evidence of this fact was the failure of the Communist Party USA or the radical right to make inroads in American public life.

In the Soviet Union today, an entirely different situation prevails. Soviet institutions possess none of the political legitimacy upon which Roosevelt's New Deal could draw. Gorbachev has assumed the powers of the new presidency, but he has failed to understand that they are hollow in the absence of political legitimacy. *Glasnost'* has served remarkably well in shaking up the Soviet bureaucracy through withering public criticism, but these same revelations have also intensified public cynicism and foreboding. Confronted with the alterna-

[7]Ibid., p. 109. For investment policy in the 12th Five-Year Plan, see Anders Åslund, *Gorbachev's Struggle for Economic Reform*, Ithaca, NY, Cornell University Press, pp. 70–74; also Abel Aganbegyan, *The Economic Challenge of Perestroika*, Bloomington and Indianapolis, IN, Indiana University Press, 1988, pp. 100–06.

[8]Gorbachev, op. cit., p. 255.

[9]Ibid., p. 371.

[10]N. S. Khrushchev adopted a similar tactic on a much less dramatic scale in the early 1960's.

[11]For Soviet studies of Roosevelt and Hitler, see Richard B. Day, *The 'Crisis' and the 'Crash': Soviet Studies of the West, 1917–1939*, London, NLB, 1981, pp. 248–84.

[12]A. Yakovlev, *Kommunist* (Moscow), No. 4, 1990, p. 10.

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tive of abandoning a discredited system or merely fine-tuning it in the Brezhnevite manner, Gorbachev has resolved to do neither. Instead, he has adopted Yakovlev's prescription of looking for a middle way: a "revolution" that will not go beyond "evolution."

The central obstacle to the success of this strategy is that Gorbachev no longer possesses either the political support with which to ensure voluntary compliance with his project or the institutional mechanisms with which to impose his will. A socialist market is inconceivable without diminishing the role of the party, yet without the support of the party apparatus there is no way in which to coordinate the current transitional economy. The party has traditionally been the board of directors of USSR Incorporated; it has also been the factory foreman and the trade-union activist. By holding party officials responsible for the present crisis, Gorbachev has demoralized the apparatus and provoked furious grass-roots resentment. Without effective party intervention to ease economic dislocations, and without market institutions to replace the party machinery, the Soviet economy has become immobilized in a condition of gridlock.

Economic Gridlock

Angry Soviet citizens typically have to line up at the shops every day for two or more hours. Meat, fish, potatoes, fresh vegetables, sugar, and detergent are all in short supply. There are long queues to buy woolens, shoes, underwear, panty hose, and men's socks. Toothbrushes, diapers, light bulbs, needles and thread, toilet paper, and shoe polish regularly disappear from store shelves. In the cities, a young family can wait as long as ten years or more for housing, living in the meantime with relatives in an overcrowded apartment. With economic decay has come rampant alcoholism and crime. During 1989, the frequency of crime rose by 33 percent.[13] According to V. T. Saykin, a party official in Moscow, in the capital city alone three to four thousand people are apprehended daily.[14]

Mikhail Gorbachev has been unable to evade responsibility for this deterioration. He has been in power for five years, and in the Soviet Union this fact is of symbolic significance. Five years represent the duration of a traditional plan, at the end of which accounts must be rendered. Many Soviet citizens believe that the current chaos results from the fact that Gorbachev had no real plan to begin with. Instead of acting quickly to increase production of consumer goods, in 1987 he introduced a new law on enterprises and added to inflationary pressures by putting enterprise directors in a position where they found it difficult to resist pressure to increase wages. In one of the most monopolistic economies in the world, any step in the direction of decentralization also invited the exercise of monopoly power to raise prices. With the wage increases, consumer demand rose at the same time as production faltered. The current volume of unsatisfied demand is estimated to equate to 165 billion rubles. Soviet citizens have 338 billion rubles in savings accounts and from 50–300 billion in cash. The country is awash in rubles with nothing to buy.[15] Now that the need for a shift from central planning to market relations has become imperative, chronic budget deficits have deprived the country of the essential prerequisite for such a transition: a stable currency.

The simultaneous disintegration of both central controls and the currency is now dramatically reinforcing traditional tendencies toward ministerial and regional autarky. Deputy Prime Minister Leonid Abalkin has criticized the republics for ordering enterprises not to ship their products out of local territorial jurisdiction. "This is tantamount," he warns, "to dividing the country into several kingdoms."[16] Warning of impending "crisis" and "chaos," Prime Minister Nikolay Ryzhkov has complained that "the republics do not consider themselves responsible for implementing federal laws simply because they do not legislate them for themselves."[17]

The Central Asian republic of Uzbekistan, for example, is reluctant to ship cotton beyond its borders because there is no certainty of receiving consumer goods in exchange. Moreover, cotton prices do not cover production costs, and the Uzbeks want to process raw material within their own region in order to provide work to some of the 1 million people who are unemployed.[18] The Latvians have curtailed meat shipments to other republics because the central government reduced fodder deliveries by 40 percent. Ukraine has cut back on meat deliveries for the same reason. As the Ukrainian party leader told the February 1990 plenum of the CPSU Central Committee: "There are no miracles: neither pigs nor chickens can be fed on air."[19] At the same plenary meeting, several speakers referred to enterprises that refused to make deliveries unless they are bribed by a return shipment of meat or detergent. In some cases, factories demand double

[13] *Pravda*, Oct. 29, 1989.
[14] Ibid., Feb. 9, 1990.
[15] Ibid., Jan. 28, 1990.
[16] *Financial Post* (Toronto), Apr. 10, 1990.
[17] *Pravda*, Feb. 7, 1990.
[18] Speech by I. A. Karimov, in ibid., Feb. 6, 1990.
[19] Ibid., Feb. 8, 1990.

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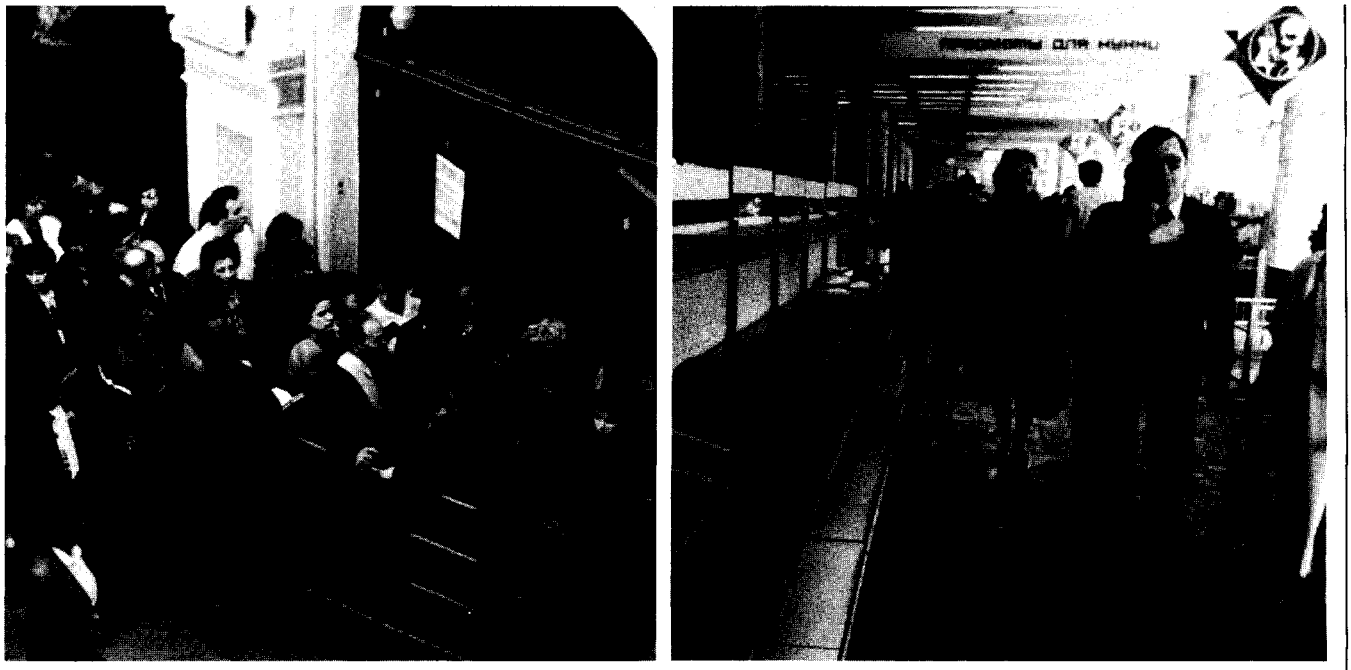

Signs of economic crisis in Moscow in May 1990: at left, consumers line up to buy gold at a shop in GUM, Moscow's best-known department store; at right, customers walk past empty shelves in a Moscow store.

—Wide World Photos.

the normal price or payment in hard currency; in others, they want sheep, pigs, or cows instead of rubles.

When factories cannot rely upon centrally coordinated deliveries of materials, they hoard whatever resources they can acquire. Gorbachev estimates that these inventories now amount to 200–240 billion rubles.[20] Immobilization of materials reinforces shortages of finished goods.

Gorbachev hoped that the newly elected local soviets would substitute for the decrepit machinery of party control. In an address to his Presidential Council on March 27 of this year, he declared that "there is no more comprehensive and reliable mechanism for implementing the decisions of the presidential power than the local soviets, their chairmen, and their executive committees."[21] A month later, he made a trip to the Urals and complained that local officials were too busy with political "meetings" to assume control over concrete affairs. The new people, he contended, were not skilled in politics or in practical work. When they were not debating philosophy or procedures, they were deciding issues "as if they were the Supreme Soviet of the USSR."[22]

Gorbachev may call upon the local soviets to adopt more "discipline," but the reality is that local officials are refusing to implement central orders that they regard as increasingly irrational. The administrative institutions of the old order have been weakened, but no prior provisions were made to replace those institutions with market forces. The resulting decline in enterprise discipline is obvious in Soviet statistics. In 1989, partly as a result of the miners' strike, 40 percent of fuel and metallurgy firms failed to make contractual deliveries. In machine-building, the figure was 38 percent; in the chemical and timber sector, it was 97.7 percent.[23] The decline of labor discipline has also been accelerating. At the peak of the miners' strike in 1989, an average of 100,000 workers were off the job each day. During the first quarter of 1990, the figure was 130,000.[24] In January of this year alone, the economy lost 4.5 million labor-days, equivalent to 62 percent of the entire loss for 1989.[25] If oil and gas workers proceed with their threatened strike in the Tyumen' area in the coming months, the results for the national economy will be catastrophic.

Soviet economist Grigoriy Khanin has shown that material production in the Soviet Union changed from a growth rate of 3 percent in 1986 to a decline of 4.5 percent in 1989.[26] The budget deficit is conservatively esti-

[20]Ibid., Feb. 6, 1990.
[21]Ibid., Mar. 28, 1990.
[22]Ibid., Apr. 28, 1990.
[23]Ibid., Jan. 28, 1990.
[24]Ibid., Apr. 29, 1990.
[25]Ibid., Apr. 3, 1990.
[26]*The New York Times*, May 13, 1990.

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mated to have risen from 4 percent of the gross national product in 1985 to more than 9 percent in 1989.[27] All of the economic indicators have been deteriorating rapidly. The Soviet economy now lacks reserves with which to meet the demands of strikers.

Gorbachev willingly acknowledges now that he initially underestimated the forces of "economic inertia." But conditioned by the vanguardist tradition of providing initiative from above, he repeatedly holds others accountable for policies that he and his advisers designed. His speeches are those of a man who believes his decisions were correct in principle—but were frustrated by inadequate responses from the people, the party, and most recently the central government. The changing political fortunes of Prime Minister Ryzhkov provide us with some insight into the events that led to the creation of the new Presidential Council in response to these perceived inadequacies.

The Polarization of Political Forces

Alarmed by the country's growing ungovernability, Ryzhkov authored a centrist program of economic "consolidation" in December 1989.[28] His hope was to restore central planning directives in order to satisfy immediate consumer needs. Fearful of accelerating inflation, he argued that the imbalance of supply and demand must be redressed from the supply side before the implementation of price reform. Progress toward establishing a market had to pause while new legislation on property, land use, banking, capital markets, and taxation could be prepared and carefully put in place. Since the economy was stranded between a plan and a market, Ryzhkov proposed that it be returned temporarily to the plan so that a future socialist market might have a chance of success.

Up until this point, Ryzhkov had been the anchor of the party's moderate centrist group, a cautious but loyal supporter of Gorbachev's *perestroyka*. Although Ryzhkov's program was adopted by the Congress of People's Deputies, in January 1990 Gorbachev indicated his displeasure with the Prime Minister by appointing Nikolay Petrakov, a market-economy advocate, as his principal economic adviser. Two months later the road to further reforms appeared to be cleared when Ryzhkov was subjected to public humiliation. He was openly denounced, both in the USSR Congress of People's Deputies and on Soviet television, for signing documents relating to the trading activities of a firm known as ANT (Automation, Science, and Technology). It seems that ANT conspired to export battle tanks, field artillery, missiles, and helicopters to unnamed foreign destinations.[29]

Prime Minister Nikolay Ryzhkov (left) and President Mikhail Gorbachev talk with the press during a session of the Supreme Soviet.

—Y. Inyakin/Bona Press/Pictorial Parade.

Whether or not the ANT scandal was orchestrated to entrap Ryzhkov, it is clear that the reason behind his humiliation was his disagreement with Gorbachev over the pace of reform. By allowing Ryzhkov to become the scapegoat for this affair, Gorbachev facilitated a transfer of initiative and power to the new Presidential Council. In this way he hoped to have his personal advisers, reminiscent of Roosevelt's "brain trust," prepare legislation that could be submitted directly to the USSR Supreme Soviet and the Congress of People's Deputies. Ryzhkov and the central government ministries would be marginalized, thereby giving Gorbachev an entirely free hand.

Many observers justifiably questioned the effectiveness of Ryzhkov's alternative program, suspecting that it represented a counter-reform move by the bureaucracy. The danger of retreating into the old ways was clearly apparent, but it is also possible that a temporary

[27]Estimate by the Central Intelligence Agency, see ibid., May 13, 1990; Marshall Goldman, however, claims that the deficits are higher, namely, 10–12 percent of the GNP. See ibid., Apr. 22, 1990.

[28]*Pravda*, Dec. 14, 1989.

[29]*The New York Times*, Mar. 15, 1990.

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reassertion of central control might have stabilized the economy and at least offered the public some hope of a more predictable future. Renewed centralization could not be a long-term solution, but by providing firm leadership, Ryzhkov might have addressed successfully the psychological dimension of the current crisis. In a situation of drift, he alone proposed a coherent strategy. It may be true, as one Soviet economist recently commented, that the proposed consolidation was premised upon "faith in a miracle."[30] When the social fabric is disintegrating, however, faith in a miracle can sometimes help to fashion the political consensus needed for the endurance of suffering. A temporary recentralization might have created the best possible political atmosphere for a sustainable transition to a market system.

The decline of Ryzhkov's influence is indicative of a larger political polarization that has been gathering momentum within the communist party. At the February meeting of the Central Committee, countless speakers referred to "crisis," "chaos," "moral decline," "destabilization," "anarchy," and "panic." Of the many attacks upon an "indecisive" leadership, the most bruising came from V. I. Brovikov, the Soviet ambassador to Poland who had witnessed firsthand the collapse in that country of communist power. Brovikov accused Gorbachev of "ideological eclecticism and lack of theoretical clarity." Speaking of Gorbachev's "hypertrophic ambition," Brovikov portrayed him as pandering to "smiling crowds" in the West while being fearful of his own "sullen" Soviet citizens. Through his "endless, thoughtless reorganizations," Gorbachev had pursued one "panacea" after another without ever giving a clear and comprehensive account of where he was taking the country. He was consistent only in holding others responsible for his own failures. Indicting Gorbachev on behalf of the party's conservative wing, Brovikov denounced pursuit of "personal power" and "personal ambition" at the expense of the "welfare of the Motherland." Fearing a loss of superpower status, party conservatives deeply resent the crumbling of Soviet power in Eastern Europe. According to the ambassador, the Soviet Union has lost international respect and is regarded abroad as a state "with a mistaken past, a dismal present, and an undefined future. And all this to the amusement of the West, which, while praising us, is affectionately hooting about the collapse of the 'colossus with feet of clay,' about the death of communism, and of world socialism." Worst of all, this inglorious retreat from empire was being portrayed by the country's leader as "the giddy success of *perestroyka,* of new thinking in international affairs."[31]

The litany of complaints at the February 1990 plenum was long and bitter. V. T. Saykin spoke of "incompetence and irresponsibility," warning that "the people see clearly what is wrong, and, as far as improvements are concerned, are neither convinced nor willing to wait."[32] A. P. Myasnikov complained of "unlimited freedom" for extremists who are urging Soviet society to repudiate the "socialist choice" of 1917. Anticipating a "social explosion of unpredictable consequences," he too charged the central party leadership with "indecisiveness" and demanded that local officials be freed of "petty tutelage" from Moscow.[33] Yegor Ligachev claimed that anti-socialist, "destructive" forces were imposing a regime of "moral and physical terror."[34] Boris Gidaspov, the Leningrad party leader, condemned "half-measures" and urged party members to come to their senses and recognize the enormity of the crisis: "Comrades! Look at your watches, we still have time—but not much."[35]

From the other side of the political spectrum, Boris Yel'tsin demanded to know who would answer for reducing "tens of millions" of people to poverty.[36] Together with Yuriy Afanas'yev and others, Yel'tsin has drafted a Democratic Platform as an alternative to the statement of party goals proposed recently by Gorbachev. The alternative platform denounces the *nomenklatura* system of control over appointments as the origin of a "party-state elite." The beneficiaries of this system pursue their own "corporate interests," abuse power, and have brought the party to a "moral crisis."[37]

From the viewpoint of Gorbachev's left-wing critics, it is precisely the vanguardist system of Leninism that must be thrown out. It implies a "totalitarian" party, and such a party, according to Afanas'yev, has no future because it is based on the faulty premise that socialism can be imposed "from above."[38] Ilya Zaslavskiy, a key organizer in the election of reform candidates in Moscow, emphasized Gorbachev's failure to break with the tradition of vanguardism with the following comment: "personally, I'm against *perestroyka* and *glasnost'*. I'm for democracy and freedom of speech."[39] After submitting their own candidacies to popular scrutiny, Gorbachev's democratic critics demand that he do likewise.

[30]See Ye. Gaydar in *Pravda,* Apr. 16, 1990.
[31]Ibid., Feb. 7, 1990.
[32]Ibid., Feb. 9, 1990.
[33]Ibid., Feb. 8, 1990.
[34]Ibid., Feb. 7, 1990.
[35]Ibid.
[36]Ibid., Feb. 6, 1990.
[37]Ibid., Mar. 3, 1990.
[38]Ibid., Feb. 1, 1990.
[39]*The New York Times,* Mar. 4, 1990.

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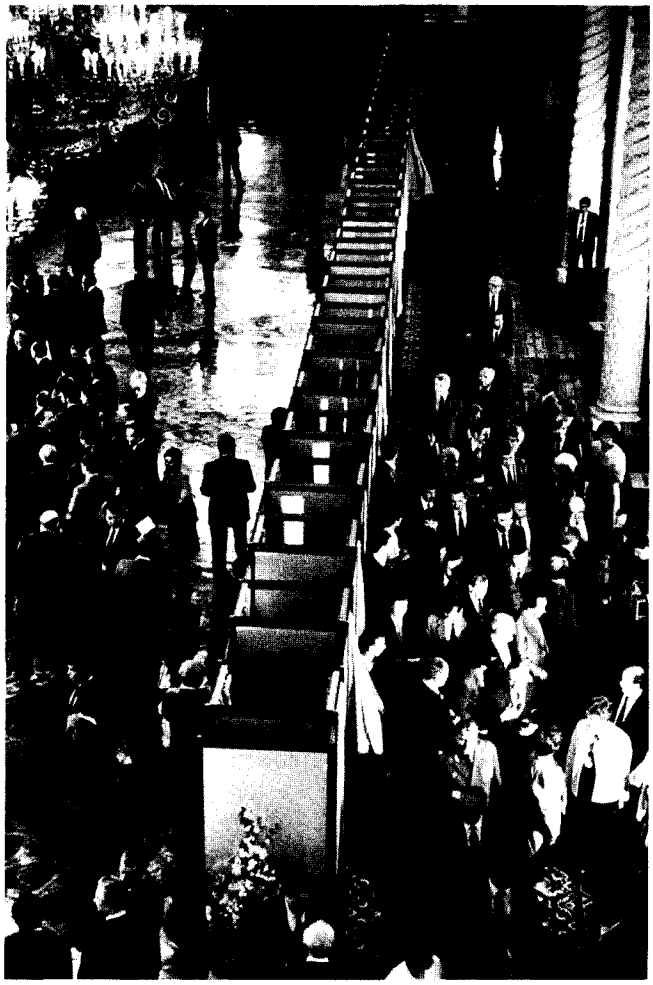

Members of the Supreme Soviet participate in the March 14, 1990, balloting that elected Mikhail Gorbachev to a strengthened presidency.

—Y. Inyakin/Bona Press/Pictorial Parade.

Instead of taking this step, which would have confronted the legitimacy crisis head-on, Gorbachev refused to stand in a popular election to the new presidency and even threatened to resign were he forced to do so.

Gorbachev's advisers are reported to have cautioned him that, even in the absence of a powerful rival, he might have lost in an attempt to win a popular election. The voters might have denied him victory by simply crossing his name off the ballots. Instead, he stood for election by the Congress of People's Deputies. Dmitriy Likhachev, the octogenarian historian who pleaded for votes on Gorbachev's behalf, argued that the country faced an imminent threat of civil war. In such an emergency, he said, Gorbachev must not be expected to expose himself to the "primitive psychology" of the people.[40] It seems that this patronizing attitude toward the people, by reinforcing perceptions of Gorbachev's highhandedness, lost him as many votes as it gathered. His opponents came within 46 votes of compelling him to seek endorsement from the public. Gorbachev's enemies and friends appear to agree on one point: the man whom many in the West take for a political genius is not so highly esteemed by his own people.

Gorbachev's Presidency

In the "kingdom of curved mirrors," Gorbachev's presidency appears to concentrate awesome powers in the hands of one man. The reality is that the presidency is located in the political heavens with no institutional links to the farms and factories. As Gorbachev lays claim to more and more formal power, he in fact becomes more vulnerable. Although Ryzhkov refused to compete for the presidency, there may be significance in the fact that he was nominated for the position by conservative members of the Congress of People's Deputies. In a recent *Pravda* interview, the Prime Minister was asked whether Gorbachev's new office would make the government's work simpler or more complex. He responded that if the government is treated as some kind of "appendage," not only will its work become more complex, but "nothing will be achieved."[41] Should Ryzhkov become embittered to the point of making common cause with party conservatives, the implications could be serious.

The right wing of the CPSU has clearly lost a good deal of credibility, particularly in the union republics and in some of the major cities. But it would be premature to dismiss it as a political force. Results of the March 1990 elections in the Russian republic show that the party candidates dominated the vote despite losses in Moscow and Leningrad. According to *Pravda*, the expectation was that 86 percent of the new RSFSR deputies would be party members.[42] If this outcome strengthens the hand of conservatives, it could also set the stage for potentially dangerous conflicts. A confrontation between reformers in such cities as Moscow and Leningrad and conservatives in the provinces might conceivably provoke a showdown similar to that which occurred in China. Moreover, conservatives in the Russian republic, angered by challenges from the non-

[40]Ibid., Mar. 15, 1990.

[41]*Pravda*, Mar. 14, 1990. There is now speculation that Gorbachev, seeing Ryzhkov as a potential rival, will try to remove him from office as a scapegoat for current economic problems. See *The New York Times*, May 14, 1990.

[42]*Pravda*, Mar. 23, 1990.

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Russian republics, might promote the same kind of nationalist tensions as now prevail in relations between Serbia and the other republics of Yugoslavia.

The composition of Gorbachev's Presidential Council indicates that he is sensitive to these pressures. By including Valentin Rasputin and V. A. Yarin, two opponents of democratization, Gorbachev has attempted to co-opt support from the political right. Rasputin is an ultra-nationalist who wants to strengthen the Soviet military and is contemptuous of Western-style democracy and free markets.[43] Yarin is a member of the reactionary United Workers' Front, an organization of blue-collar workers opposed to reform. Speaking out strongly against troop reductions and cuts in the military budget, the Front has sought to draw upon resentment of *perestroyka* both within the working class and in the armed forces.[44] Other members of the Council include Marshal Dmitriy Yazov, the defense minister and a frequent critic of those who would diminish the military's status, and KGB head Vladimir Kryuchkov. Although these men are Gorbachev appointees, they are also representatives of institutions that are inherently apprehensive about potential social disorder.

Soviet military personnel have certainly been no more immune to the disturbing consequences of Gorbachev's leadership than any other group in society. Dissatisfaction has been spreading through the ranks. Some elements in the military are outraged by Gorbachev's policies and clearly feel betrayed. Yazov and General Mikhail Moiseyev, chief of the General Staff, have both condemned recent proposals from Gorbachev's allies for a volunteer professional army, which Yazov estimates would require an increase of military spending by 40 billion rubles yearly.[45] Given the deterioration of the economy, they do not believe promises of armed forces modernization will be kept. They also fear Gorbachev's policies on arms and troop reductions, because of the dangers they pose to national security and because no advance preparations have been made to provide for the housing and other needs of officers and troops returning from Eastern Europe. In October 1989, a group of officers banded together to form their own independent military trade union, the Union for Social Protection of Servicemen (Shield).[46] Many military representatives in the Congress of People's Deputies voted against Gorbachev's candidacy for the presidency. Lieutenant Colonel N. S. Petrushenko indicated that his colleagues refused to support Gorbachev because he has wrought havoc in the officer corps and done nothing to prevent open criticism of the military.[47] Equally distressing to strategic planners is the prospect of losing air and naval bases in the Baltic republics, a concern that has led the armed forces newspaper, *Krasnaya Zvezda,* to almost hysterical condemnations of Lithuania's moves toward independence.

Although the military has institutional representation on the Presidential Council, its representatives are counterbalanced by Gorbachev's supporters, including Foreign Minister Eduard Shevardnadze, Aleksandr Yakovlev, Yevgeniy Primakov, and Stanislav Shatalin. By endeavoring to garner support from all possible directions, Gorbachev has tried to keep his own hands free as a one-man vanguard. However, the need to reconcile somehow such diverse interests may induce political paralysis on the Council as well.

The Struggle Over "Shock Therapy"

Having abandoned Ryzhkov's program for temporary recentralization, until recently Gorbachev appeared to favor much more rapid movement toward a "full-blooded socialist market" through some variant of Poland's "shock therapy." In his address upon assuming the new presidency, he spoke of reform of pricing, reduction in the volume of central state orders, a commodity and, eventually, a stock exchange, anti-monopoly regulations, a more active financial policy to lock savings into securities, and a new taxation policy to restrain inflationary growth of incomes.[48]

In April 1990, the Soviet press took up Gorbachev's cue by publishing numerous articles suggesting that the only way out of the current impasse was a "leap into a market." Yegor Gaydar, *Pravda*'s economic editor, wrote that to remove price controls in the current circumstances of unsatisfied demand would be a "terrible experience." Nevertheless, he saw no alternative but "to close one's eyes and take a leap into the unknown."[49] In an interview published by the Radio Moscow news service Interfax, Finance Minister Valentin Pavlov likewise called for "supply-and-demand price regulation."[50] V. K. Senchagov, chairman of the State

[43] *The New York Times,* Mar. 25, 1990; and *The New York Times Magazine,* Jan. 28, 1990, pp. 20, 50.

[44] *Newsweek* (New York), Feb. 12, 1990; and *The New York Times,* May 14, 1990.

[45] *Pravda,* Feb. 23, 1990. (Perhaps to mollify Yazov, Gorbachev promoted him to the rank of Marshal recently, even though he had vowed earlier that no one would be granted this rank in peacetime during his tenure.)

[46] *Globe and Mail,* Oct. 23, 1989; and *The New York Times,* Oct. 22, 1989.

[47] *The New York Times,* Mar. 16, 1990.

[48] *Pravda,* Mar. 16, 1990.

[49] Ibid., Apr. 16, 1990.

[50] *Financial Post,* Apr. 5, 1990.

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Committee on Prices, proposed a more moderate approach, namely, combining free prices for some commodities with continued regulation of others. But he too dismissed the alternative program of Ryzhkov as "counting on a miracle."[51]

The economic argument in favor of shock therapy is elegantly straightforward. Whereas Ryzhkov proposed to balance the market by increasing supply, the strategy of raising prices aims for the same objective by reducing instead the buying power of incomes and savings. The calculation is that, in time, higher prices will themselves be the most effective instrument with which to encourage greater production. In an interview published in *Pravda*, Anders Åslund, a Swedish specialist on the Soviet economy, argued that retail prices must rise by at least 30–40 percent. Åslund compared the Soviet economy to that of Poland in the early 1980's. Arguing that Soviet production was already declining at an annual rate of 4–5 percent, Åslund predicted that, in the absence of dramatic measures, real output over the next two years might fall by as much as 20 percent.[52]

Many Soviet economists, including Deputy Prime Minister Leonid Abalkin, were more concerned with the immediate political hostility that price increases might provoke, particularly from Soviet workers.[53] In March of this year, the trade unions of the Russian republic declared their independence of all state and party bodies. Forming a new Federation of Independent Trade Unions, they vowed to adopt a "hard line" and to resist any policy that might reduce their members' living standards.[54] In the minds of Soviet citizens, the most urgent concern during this debate was the fate of food subsidies, which currently account for up to 130 billion rubles a year.[55] The political consequences of removing these subsidies would be perilous. But unless they are significantly curtailed, it will also be impossible either to balance the budget or to reduce the inflationary pressure of the expansion of the money supply.

Although the direction of Soviet policy for the coming year remains to be determined, it is now clear that "shock therapy" will not be implemented. At a meeting of the Presidential Council in April, Ryzhkov warned that market forces would drive up prices of many goods by 200–300 percent.[56] In a BBC radio interview, he reacted to the charge that his own policies implied belief in a "miracle." The suggested shock therapy alternative, he claimed, would be an experiment "leading nowhere."[57] It appears that Ryzhkov's arguments were sympathetically received by conservatives in the Presidential Council, where the decision has been taken to endorse his strategy of balancing the market from the supply side. More surprising is the fact that Petrakov, the man whom Gorbachev appointed to find some other option, now agrees with the Prime Minister. On April 16, he told a *Pravda* interviewer that the only immediate way to alleviate the crisis is through "massive purchases of consumer goods in the West," a policy that Ryzhkov has long endorsed.

Despite the technical arguments in favor of a market "leap," Petrakov made it perfectly clear that Gorbachev was mistaken if he thought he could follow the path taken by the Poles: "The Mazowiecki government's program, even if it is bitter medicine, is implemented on the basis of a social consensus. The situation in our society is completely different."[58] Shatalin added another theme customarily associated with Ryzhkov: to introduce a market without first making careful institutional preparations "would only be suicide."[59] Immediate introduction of the market would cause from 10 to 20 million Soviet workers to become unemployed. After testing the political waters on a recent trip to the Urals, Gorbachev has conceded that the time is not right to take the plunge. Blaming the press for propagating the rumor of shock therapy, he promised that it would not occur. The "radicalization of economic reform," however it might develop, will not be finally decided for another six to eight months.[60]

Gorbachev's indecisiveness on this issue has done nothing but compound his problems. Ryzhkov has been partially vindicated, but the debate over shock therapy helped further to erode confidence in the country's leadership. Whereas Ryzhkov's "consolidation" might have had a stabilizing psychological effect at the time when it was proposed, the Soviet press now has administered the political "shock" while the Presidential Council has refused the "therapy." But Gorbachev's attempt to replicate Poland's exercise of shock therapy was flawed in exactly the same way as Yakovlev's Roosevelt analogy. In both cases, the issue of economic reconstruction was abstracted from the far deeper crisis of political legitimacy.

If Gorbachev is looking for an appropriate analogy in Poland, he would do better to reflect upon the experience of General Wojciech Jaruzelski, who in 1981 im-

[51] *Pravda*, Apr. 13, 1990.
[52] Ibid., Apr. 5, 1990.
[53] *Financial Post*, Apr. 10, 1990.
[54] *Pravda*, Mar. 24, 1990.
[55] Figure cited by Nikolay Ryzhkov, *The New York Times*, May 25, 1990.
[56] See comments by S. S. Shatalin in *Pravda*, Apr. 26, 1990.
[57] *The New York Times*, Apr. 26, 1990.
[58] Ibid., Apr. 25, 1990.
[59] Ibid.
[60] *Pravda*, Apr. 26, 1990.

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Soviet Deputy Prime Ministers Yuriy Maslyukov (center) and Leonid Abalkin (right) with Lev Voznesenskiy, information chief of the USSR Council of Ministers, at a May 23, 1990, press conference that announced plans for a referendum on a new economic reform package.

—Reuters/Bettmann Newsphotos.

posed martial law in order to preserve communist power and restore social order after the price increases of the previous year and the rise of Solidarity. In 1987, Jaruzelski submitted his own proposals for economic reform to a referendum—and lost. When he went ahead without public endorsement, he provoked the final crisis of the communist regime and caused state power to pass to the Solidarity-based government of Tadeusz Mazowiecki.

On May 24, 1990, Ryzhkov again put forth a package of economic changes that rejected "shock therapy" but introduced some limited free market liberalization. This proposal also included plans for sharp price increases for consumer goods on the road to the declared goal of creating a "regulated market economy."[61] The proposal was accompanied by a promise to put the economic reform package to a popular referendum; this promise led to immediate speculation that Ryzhkov would resign if the referendum went against him. Since the first step under this plan was to be the tripling of the price of bread on July 1, 1990, the proposal was promptly attacked from all sides. Vitaliy Masol, the prime minister of Ukraine, vowed to oppose the plan.[62] Gennadiy Filshin, a member of the Interregional Deputies Group in the USSR Supreme Soviet, called for a vote of no confidence in the government.[63] And a wave of panic buying swept the country.

On June 13, the Supreme Soviet approved in general terms Ryzhkov's proposals for a transition to a regulated market economy. However, the Supreme Soviet merely "took note" of the specific proposal tabled by Ryzhkov on May 24. Instead, it directed the government to come up with a concrete program of mutually compatible measures for the formation of a regulated market by September 1, 1990. The Supreme Soviet also failed to approve the price increases, which were an integral part of Ryzhkov's plan. Rather than being submitted to a referendum, the plans for transition to a regulated market are to be widely discussed in work collectives and other public bodies.

[61] *The New York Times*, May 27, 1990.
[62] Ibid., May 26, 1990.
[63] Ibid., May 25, 1990.

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In the meantime, Boris Yel'tsin posed another immediate challenge to Gorbachev's leadership. On May 29, 1990, supported by the liberals of Democratic Russia, Yel'tsin won election to the presidency of the Russian republic (formally, he is chairman of its Supreme Soviet) on a third ballot, by a slim, four-vote majority.[64] Hard-liners who opposed him and managed to deny him the presidency on the first two ballots made effective use of the decision by the Democratic Russia–controlled city council of Moscow to cope with panic buying by limiting food sales solely to city residents. They argued that the policy demonstrated that "liberals" like Yel'tsin are indifferent to the needs of the provincial population which comes to Moscow to purchase goods unavailable at home.[65] In the end, Yel'tsin had to compromise with the powerful hard-liners from the provinces and offer them a power-sharing arrangement in order to get the necessary votes. The polarization of forces, though, may well continue to increase.

Yel'tsin himself is difficult to categorize. An ambitious individual, he is seen by his supporters in the Soviet Union as a strong, dynamic, and honest leader. Others view him as bombastic, unstable, unpredictable, and prone to demagoguery—a kind of Soviet Juan Peron. Nevertheless, he answers a psychological need among important segments of the Soviet population for forceful leadership. He has often taken what appear to be contradictory positions. On the one hand, he has demanded an acceleration of reform; on the other, he has also strongly asserted that radical economic surgery can and should be painless.[66] Although he has denied accusations, including by Gorbachev, that he is encouraging secession, the program that he presented to the parliament of the Russian republic during his run for the presidency included a call for a separate and convertible currency in Russia, a separate KGB, and complete control over the republic's oil, timber, and other natural resources.[67]

At his first news conference as president, Yel'tsin continued to take a confrontationist stance and called on the government of Nikolay Ryzhkov to resign because of the failure of its economic plans. Yel'tsin predicted that Ryzhkov's new program would be defeated in parliament. He called for the passage of a declaration of sovereignty by the Russian republic, yet insisted that this would not weaken but reinforce the Soviet federation.[68]

However, Yel'tsin's entire package of proposals hardly provides reassurance for federalist cohesion. He promised to put in place within the first 100 days a comprehensive program for greater economic (and political) autonomy. Among the proposed measures are establishment of: the right of the Russian republic to contract freely with other Soviet republics for the sale of its oil, gas, and other natural resources (these contracts would move gradually to world prices); the right of the republic to adopt its own interpretation of the USSR laws on land, property, and enterprises (as part of turning the political "pyramid" upside down); the precedence of republic law over USSR law; and the equality of the authority of the president of the republic with that of the president of the Soviet Union.[69] By proposing such measures, he not only strengthens the centrifugal forces in the Soviet Union but also complicates the center's economic reforms.

Gorbachev, moreover, is trapped in a dilemma that his own policies helped to create and from which there is no easy or obvious escape. Previously, Gorbachev was able to deflect criticism meant for him by using the buffer of Ryzhkov's government. On June 13, however, the Supreme Soviet directed Gorbachev to use his power of presidential decree to implement a variety of measures that would move the country toward a regulated market economy. Thus, Gorbachev is being pushed to assume direct responsibility for the economic reform. The longer price reform is delayed and budget deficits continue, the greater will be the suppressed inflation and the more severe the shock when price reform eventually comes. And unlike in the Polish transition to a market economy, there is little possibility that a similar strategy in the Soviet Union could be cushioned by any comparable financial support from the West. President George Bush, although he favors giving the Soviet Union freer access to American markets and technology, has rejected Congressman Richard Gephardt's proposal that the United States support *perestroyka* with direct financial assistance.[70] Regardless of the West's wish to help Gorbachev, in view of the dif-

[64]CBC Radio, May 29, 1990, 9:00 a.m. EDT.

[65]See Bill Keller, "Yel'tsin Unable to Win a Majority in 2nd Russian Vote," *The New York Times*, May. 27, 1990.

[66]In a speech that won him prolonged applause, Yel'tsin told the delegates voting for the president of the Russian republic: "The main thing is for us to find *the only right solution* to the issue: how to switch over to a market in a relaxed manner, without lowering the living standards of the population." *The New York Times*, May 26, 1990 (emphasis added).

[67]Ibid., May 27, 1990.

[68]Ibid., May 31, 1990; *Globe and Mail*, May 31, 1990; and CBC TV News, May 30, 1990, 10:00 a.m. EDT.

[69]Ibid. On June 12, the parliament of the Russian federation adopted a declaration of sovereignty by an overwhelming vote of 907 in favor and 13 against. (See *Financial Times*, June 13, 1990.) The declaration was in essence a declaration of intent and therefore is non-binding. Given the overwhelming majority by which it was passed, it may well be a portent of things to come.

[70]*Pravda*, Mar. 19, 1990.

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ference of scale between the Polish and Soviet economies, there simply do not exist Western institutions with sufficient resources to provide a significant cushion for the USSR.

Moreover, the fundamental problems of the Soviet Union are political. Hence, no conceivable amount of foreign economic assistance can help to stabilize the Soviet economy until the vanguard system is replaced with a democratically elected government. In the absence of a government that is broadly perceived to be legitimate, the USSR's existing institutions are too fragile to sustain the economic shocks that must occur before there can be any improvement. It is no surprise, in these circumstances, that Soviet access to private capital is also becoming increasingly difficult.

Of the 1,200 joint ventures that have been signed, only 6 percent are actually operating.[71] The country has a foreign debt of US$40–50 billion and a debt service ratio of 25 percent. As is to be expected, Western bankers are becoming nervous, and hard-currency shortages are now threatening Soviet contractual agreements with several foreign firms.[72] The alternative to shock therapy is to be increased imports of consumer goods. But as the economics editor of *Pravda* wrote on April 29, 1990: "According to Western bankers, the credit-worthiness of the Soviet Union has suffered more during a few weeks of the present quarter than in all the previous 20 years of growing economic difficulties."

The more urgent the difficulties become, the more desperately Gorbachev grasps at formal power with no clear purpose. Having urged the party to abandon its leading role, he nevertheless intends to combine the state presidency with a new post of CPSU chairman. By replacing the Politburo with an enlarged Presidium, he intends to dilute the highest party body and render critics ineffective.[73] He seemed to be acquiescing in the campaign to drive supporters of the Democratic Platform from party ranks before the CPSU Congress, which was scheduled to be held in July of this year. If the party splits at the congress or before, as most observers think likely, Gorbachev will be left to face those who read out the conservative bill of indictment at the February plenum. Cleansed of radicals such as Boris Yel'tsin and Yuriy Afanas'yev, the conservative rump of the party may well hatch different plans for Gorbachev's future.

Toward the Brink

From whatever perspective one views the Soviet Union, Mikhail Gorbachev is a man caught in a maelstrom of his own making. Disintegration of the domestic economy has been outpaced only by the collapse of Moscow's hegemony over the East European countries that now only nominally belong to the Council for Economic Mutual Assistance. As late as July 1988, the Soviet government still publicly entertained the hope of enhanced economic integration between the Soviet Union and Eastern Europe.[74] Goods, services, and other production resources were eventually to move freely across national frontiers in the "world socialist market." When the trading partners of the former Eastern bloc met in Bulgaria in January of 1990, the idea of a multilateral trading community was but a faint memory of a politically distant past.

Although some observers have thought the East European countries to be an economic burden to the Soviet Union, this has not been the case for at least a decade. The planned economies were mutually dependent insofar as none of them could produce manufactured goods readily marketable for hard currency. Until recently, the Soviet Union accounted for 40 percent of the trade of East Germany and roughly 30 percent of that of Czechoslovakia, Hungary, and Poland. Moscow has depended upon Eastern Europe for a wide range of goods, whether it be buses from Hungary, forklift trucks from Bulgaria, or computers from East Germany. The Soviet Union also received significant investments from its East European partners, repaying them with exports of energy and raw materials.

Despite these economic linkages, however, the trade relations of the socialist countries were anchored primarily in politics rather than in any coherent policy of maximizing returns from trade. With the current projects to reorient East European exports to Western markets, where hard-currency earnings can be more effectively deployed, the already fragile Soviet economy will suffer further strains. At most, the East European countries will regard the Soviet Union as a market of last resort once essential imports from it have been paid for. For example, Hungary is already reducing the shipment of Ikarus buses to the Soviet Union and preparing to expand higher-quality production for Western markets.[75]

In Soviet defense planning, the problems are similar. East-West arms negotiations are reducing the role of nuclear weapons and thereby augmenting the relative importance of conventional forces. Even if the latter are themselves reduced, a predominantly conventional defense doctrine is likely to enhance the importance of

[71] *Financial Post*, Apr. 19, 1990.
[72] *Globe and Mail*, Mar. 13, 1990; and *The New York Times*, Mar. 16, 1990.
[73] *Pravda*, Mar. 12, 1990.
[74] Ibid., July 8, 1988.
[75] *Globe and Mail*, Feb. 19, 1990.

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territory. Although the Soviet government clings to the fictional existence of the Warsaw Pact, the territorial security of the East European buffer is vanishing.

Alert to the concerns of the Soviet military, Mikhail Gorbachev tried until the last possible moment to maintain that the collapse of empire could be halted. In December 1989, he told the Central Committee that "we intend to stand up for the GDR, our strategic ally and a member of the Warsaw Pact. We must take postwar realities as our starting point, including the existence of two sovereign German states, both of whom are members of the UN. Any departure from these realities will threaten destabilization of Europe."[76] The Warsaw Pact is falling apart. The armed forces of East Germany have collapsed through desertion at the same startling pace as German unification has advanced. The foreign ministers of Poland, Hungary, and Czechoslovakia have been telling their Soviet ally that the best guarantee of European stability is a unified Germany within the North Atlantic Treaty Organization.[77]

Gorbachev also seriously erred in thinking that changes in Eastern Europe could be stopped at the Soviet border. Despite asymmetries of power, innovations have long moved from Eastern Europe to the Soviet Union.[78] The spread of reformist thought within Eastern Europe showed that the borders of these states were politically permeable. The Soviet Union may succeed in countering some outside pressures, but in the modern world it is almost impossible to seal frontiers against the penetration of ideas. The tidal wave that leveled the vanguardist regimes of Eastern Europe is now pounding through the Soviet Baltic republics.

Gorbachev is desperately trying to keep the Union together. But his vague promise of a new federalism could not preempt demands for independence not only in the Baltic area, but also in Georgia, Azerbaijan, and, increasingly, in Armenia. Even Ukraine, with 52 million people and one-fifth of the country's industry, appears to be moving in the same direction. In recent local elections, the Popular Movement for *Perestroyka* in Ukraine, *Rukh,* scored important victories in many major cities, particularly in the western part of the republic, which did not come under Soviet rule until 1939 and is most exposed to influences from Eastern Europe. Though its candidates fell well short of a sweep, *Rukh* is clearly in a position to provide leadership to growing public sentiment in favor of an independent Ukrainian state.[79]

[76]*Pravda,* Dec. 10, 1989.

[77]*The New York Times,* Mar. 18, 1990.

[78]A. Braun, "How Developments in Eastern Europe Affect the Stability of the Soviet Regime," in Alexander Shtromas and Morton Kaplan, Eds., *The Soviet Union and the Challenge of the Future,* Vol. III, New York, Paragon, 1989, pp. 651–72.

Conclusion

In both domestic and foreign policy, Mikhail Gorbachev has consistently misjudged the issues and has been driven by the force of events that he initiated but that now have escaped his control. He assumed power with the conviction that the Soviet system was in fact reformable. Recent experience, both in the Soviet Union and in Eastern Europe, demonstrates that the system cannot be reformed; it must change its very nature, which is defined by the principle of vanguardist political leadership. As economic problems have mounted, it has become increasingly obvious that economic reform, and the suffering that it will entail, can only be effected by a government enjoying broad public support. There are no shortcuts to legitimacy; and the subjective willingness of the Soviet people to bear the material burdens of *perestroyka* cannot be mass-produced.

Mikhail Gorbachev has tried to shift the principle of legitimacy in the Soviet Union from facile promises of affluence to the formal procedures of law. The problem is that neither law nor legal institutions can command legitimacy unless they are themselves anchored in public trust. In modern political life, citizens trust the law when, through representative institutions, they participate in making it. In his attempt to achieve "revolution through evolution," Gorbachev has refused to break decisively with the vanguardist concept of political leadership. Unless he learns the real lessons of the Roosevelt era in the United States and of Solidarity in Poland —unless he wins the trust of the people by trusting them to participate fully in the determination of their own future—the people of the Soviet Union are not likely to cooperate in saving either him or the existing social order. Political democratization cannot be merely an adjunct of economic reform; it is the essential precondition for it.

The most visible consequence of the Gorbachev years has been the emptying of store shelves and a polarization of Soviet society. The old institutions are crumbling, and there are none at hand which are adequate to replace the coordinating role once exercised by the communist party. We are now witnessing a race between the forces of pluralism and those of repression. Gorbachev cannot join the latter even if he wished, for he no longer has credibility with them. And he has displayed neither the courage nor the conviction to join the former. Both forces are bypassing the Soviet leader. The question is not whether Gorbachev will fail, only how and when he will fail. Repression, it is true,

[79]*The New York Times,* Mar. 26, 1990.

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could hold back social development only for a time. We should not forget, however, that in the case of Czechoslovakia's "interrupted revolution" of 1968, the old order managed to sustain itself for another two decades.[80] In China, a similar drama is now being played out.

As social tensions mount in the Soviet Union, so does the possibility that Gorbachev will be replaced not by the democratic left, but by a coalition of anti-Semites, Russian nationalists, an angry and resentful military, a restive KGB, and elements of the communist party's conservative wing. The party apparatus has been eviscerated by *glasnost'* and *perestroyka,* but the skeleton of a once potent force remains. If communist supporters of the Democratic Platform either abandon the party or are driven out at the coming party congress, conservatives in the party will be in a strong position for a final settling of political accounts. It is these internal forces that will determine the fate of Mikhail Gorbachev.

The West can neither "lose" Gorbachev through inaction nor save him by means of economic assistance. In these circumstances, its only obligation is to be faithful to our Western principles and to be aware of the dangers from the Soviet Union. Instead of participating in and propagating the myth of Gorbachev's political infallibility, responsible Western observers should pay more heed to what the instability of the Soviet Union may mean. In the Soviet interpretation of history, the "general crisis" of capitalism produced not only Franklin D. Roosevelt, but also fascism and militarism. It is well worth reflecting upon the dangers that may yet emerge from the "general crisis" of the Soviet system.

[80]H. Gordon Skilling, *Czechoslovakia's Interrupted Revolution,* Princeton, NJ, Princeton University Press, 1976.

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The Soviet Military in Transition

William E. Odom

Surprising changes are occurring in Soviet military policy, developments that raise fundamental questions about the nature of the Soviet political system as well as about the Soviet military threat. Interpreting this upheaval in Soviet military affairs is therefore not simply an academic matter. How well the appraisal is done has important implications for Western security calculations.

The military policy of any country is a complex and intricate matter for analysis, and the danger of getting lost among its many aspects is great. So as to see the forest despite the many trees, it is helpful to have a taxonomy of military policy categories. The six categories presented here have the virtue of being comprehensive and providing a proper context for analyzing Soviet military policy. Any aspect of Soviet military policy falls into at least one of these categories, and some may fall into several.

The first category is foreign policy, which military policy reflects and supports. What is the present character of Soviet foreign policy? Does it reflect a status-quo outlook, or is it expansionist, seeking to alter the balance of power in the world? The answer to this fundamental question creates the foundation for most aspects of military policy.

Second, there is military strategy, which relates to the ways in which military power is used to attain specific objectives. While military strategy concerns the use of military forces in wartime, it is also about the use and political utility of military power in peacetime. In the Soviet view, strategy encompasses arms races and how the USSR competes in them, as well as how it conducts arms control negotiations. Foreign policy and military strategy are sometimes merged into a single category by some analysts and called "grand strategy."

Closely related to military strategy is military doctrine. Doctrine, in the Soviet view, is the official state policy on both the socio-political and the military aspects of military affairs in a particular state. It links military structure to the political goals of the state. Although doctrine is based on the findings of military science, which hold for all countries, it is also particularized for the geographical, social, political, and economic character of a given state. It dictates the general guidelines for organization, tactics, operations, and strategy.

A fourth category is military manpower policy. It concerns who will serve, who will lead, who will follow, and what the education, training, and ethnic mix of the armed forces will be. It affects a large portion of the population and has deep political ramifications for the relationship between the military and society.

Military industry is the fifth category. It includes research and development, weapons and equipment procurement, how these activities are financed, what proportion of the national income is devoted to military industry, how weapons and equipment are modernized, and the relationship of military industry to the rest of the economy.

The last category comprises all aspects of military organization, from the highest command levels and their relation to the political authorities, down to small-unit tables of organization and equipment. It includes the command-and-control structure and how it works, as well as the "rear," i.e., the full depth of the homeland and how it will be mobilized and protected.

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This article looks at current developments in each of these six areas. Where appropriate, it provides some historical perspective to highlight the significance of the current changes. It is far from the complete story of the tumultuous unfolding events, but it does reveal their major contours and many of the forces influencing Soviet military policy. A seventh section turns to the nexus of party-military relations, both for what it tells us about the prospects for further change in the various areas of military policy and for what it suggests about the evolving nature of the entire Soviet polity. The conclusion ventures a tentative prognosis of the future course of military policy and of the ways in which recent domestic developments may impede changes not only in this sector but throughout the Soviet system.

Foreign Policy

The changes that have occurred in Soviet foreign policy since Mikhail Gorbachev came to power in 1985 need not detain us long. Suffice it to highlight here several key points that shape the basic orientation of contemporary Soviet military policy.

Gorbachev's first and perhaps most critical step in foreign policy was to revise the official ideology and thereby create a basis for a new definition of "peaceful coexistence."[1] Peaceful coexistence as a policy has its roots in Lenin's abrupt reversal of direction in 1921, both at home and abroad.[2] Since communist revolutions were not occurring in the advanced industrial states of Europe as the Bolsheviks had anticipated, they had to decide how to hold on to power and preserve revolutionary gains in an isolated Russia. The policy formula with respect to foreign relations was found in the separation of "state-to-state" relations from "party-to-party" relations, and the pursuit of different policies along these two dimensions. Unable to provoke successful revolutions in the capitalist states of the West, Lenin sought to normalize relations with them, to give them the impression that Bolshevik Russia was not a threat, and to develop as much economic interaction with them as possible in order to advance Soviet industrialization. At the same time, he by no means intended to surrender the pursuit of international revolution in the name of the working class. Through the Comintern, an organization formed in 1919 to direct policies of communist parties allied with Moscow, the Bolsheviks would continue to promote working-class revolutionary consciousness throughout the world.[3]

This formula, in one variation or another, has been the Soviet official line ever since, except in the period when Stalin allied first with Germany, then with the Western democracies, and finally with Sovietized Eastern Europe after World War II. Nikita Khrushchev returned to the old Leninist formula, naming it "peaceful coexistence"—Lenin never actually used the term, but occasionally spoke of "cohabitation" (*sozhitel'stvo*)—and gave it a new twist to accommodate the dangerous new realities introduced by nuclear weapons.

As a policy, peaceful coexistence did not mean renunciation of competition with capitalism. Rather, it was defined as "a specific form of the international class struggle," one that temporarily avoided war. Unlike Lenin, who believed that a final showdown in war with the West was inevitable, Khrushchev conceived of peaceful coexistence as a strategy for defeating the West through internal revolutions without having to resort to global war or the use of nuclear weapons.

However, peaceful coexistence did not mean that the Soviet Union had renounced war. It seems fairly clear from recent Soviet statements that the Soviet political and military leadership expected that the competition between systems might lead to a nuclear war. Guided by a fundamentally offensive military doctrine, the Soviet leadership built its forces not simply for "deterrence" in the Western understanding of the concept but rather for making the best of the situation were a war to occur.[4]

The fundamental ideological assumptions underlying peaceful coexistence, then, dictated both an expansionist foreign policy and a military policy striving for military pre-eminence. In this light, the large Soviet military buildup over the past three decades is not an aberration; it is quite logical. The seriousness of the policy was evident in the great economic sacrifices forced on the population in order to pay for the military buildup.

When Gorbachev came to power, the Soviet Union was facing a major crisis in policy, both domestic and foreign. A new revolution in military affairs was de-

[1]See his *Perestroika: New Thinking for Our Country and the World,* New York, Harper & Row, 1987, for his most comprehensive statement on this matter.

[2]See Adam Ulam, *Expansion and Coexistence: The History of Soviet Foreign Policy 1917–67,* New York, Praeger, 1968, for an interpretive account.

[3]Franz Borkenau, *World Communism,* New York, Norton Publishing, 1939.

[4]For example, see Marshal of the Soviet Union Sergey Akhromeyev's unpublished speech to the Council of Foreign Relations in New York, June 1987; and Vadim Zagladin, "On the Course of Reason and Humanism," *Pravda* (Moscow), June 13, 1988.

Western analysts have long debated the Soviet stand on the question of the inevitability of war in the nuclear age. For an overview, see William E. Odom, "The Soviet Approach to Nuclear Weapons: A Historical Review," *American Academy of Political and Social Science. Annals* (Beverly Hills, CA), September 1983, pp. 117–35.

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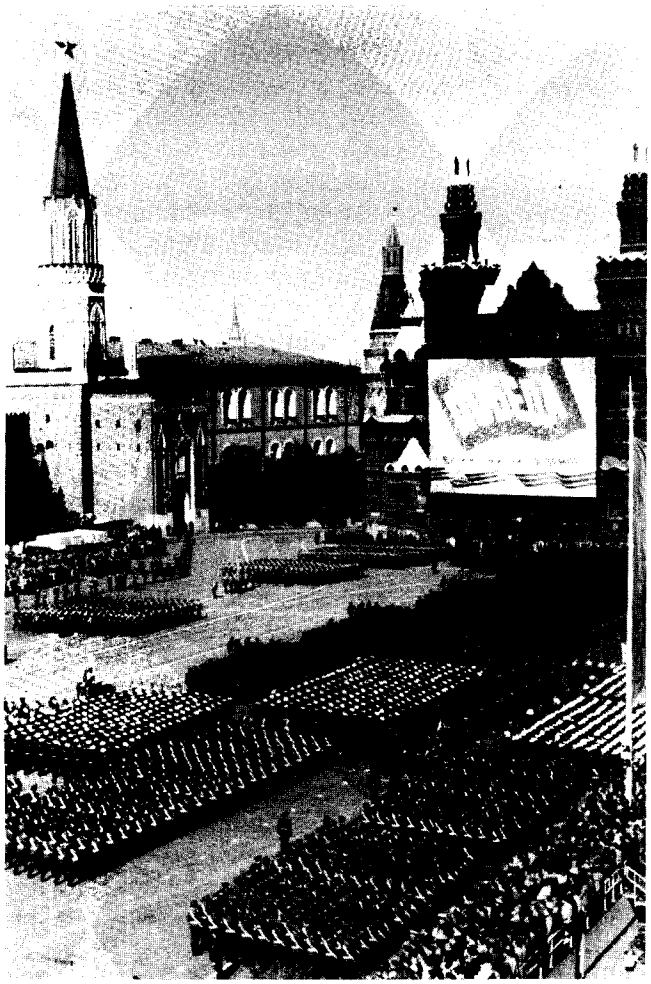

Soviet troops march in Red Square for the May 9, 1990, commemoration of the 45th anniversary of victory in World War II; the giant billboard reads: "Victory in the Name of Life on Earth."

—Reuters/Bettmann.

manding forces and weapons that the Soviet scientific-technological and industrial bases could not provide. The United States was winning the qualitative arms race. Soviet foreign policy, with its inherently expansionist character, was provoking a Western reaction that the Soviet economy and political system could not counter successfully.

As Gorbachev's supporters have argued, the large military component in the Soviet Union's past foreign policy has caused the West to arm more vigorously. In effect, massive military power has not translated into the political influence that Soviet leaders had expected. The implications of this view for military doctrine and force structure have been dramatic.

Gorbachev's approach to dealing with the crisis was not to tinker with the symptoms but rather to launch a fundamental attack on the disease itself. This meant radical changes in domestic policy that, in turn, required a different foreign policy orientation toward the world. Such shifts in course had been seen earlier in the repeated Soviet peace offensives, but those had been largely tactical in nature. The present shift is strategic, that is, it is meant to endure for a long time. It involves not merely a pause for obtaining Western technology to improve defense industries, but appears to include a basic restructuring of the entire economic and political system.[5]

It is against this background that Gorbachev's ideological revisions must be seen. He went right to the assumptions of Marxism-Leninism that had grounded all previous Soviet military doctrine: class interest and class struggle. In his book *Perestroika: New Thinking for Our Country and the World,* he declared that in the present age new interests have emerged—"humankind interests"—that transcend class interests. Nuclear weapons make the avoidance of war a "humankind interest." Saving the global environment is another such interest. These humankind interests, in Gorbachev's exegesis, take precedence over class struggle and require cooperative efforts with imperialist states. Moreover, they render irrelevant the view that war is but the continuation of political relations by other means. Thus, Gorbachev insists, Carl von Clausewitz must be put back on the shelf and forgotten. Given Lenin's admiration for Clausewitz's views on war, this is quite a reversal.[6]

Gorbachev did not stop here. He removed from the definition of peaceful coexistence the notion that it was a "specific form of the class struggle." The 27th Congress of the Communist Party of the Soviet Union (CPSU) gave peaceful coexistence a new and much longer definition, one that made no mention of class struggle and put the emphasis on proper and peaceful interstate relations with all foreign countries, regardless of their politico-economic system. While Gorbachev still holds that class analyses and class struggle are relevant in states where class antagonisms persist, he views the issue as of low priority in the larger context of East-West relations, where cooperative interstate dealings are to be the order of the day.

The foreign policy component of this policy change has the task of presenting the Soviet Union as a status-quo power, one committed to nonintervention even in Eastern Europe, where Moscow has abided by the policy even in the face of unprecedented challenges to the socialist systems there.

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[5]See Gorbachev's speech to the All-Union Student Forum, *Pravda,* Nov. 16, 1989, for a review of his vision for transforming the Soviet Union.

[6]Gorbachev, op. cit., pp. 143–48.

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Given these extraordinary ideological revisions, Gorbachev's new prescription for military doctrine was quite logical: it must be "defensive." No other justification for military capabilities would do. Of course, the old formula for Soviet military doctrine had included its "defensive character," but this had been socio-political and had not extended to its military-technical component. Gorbachev now insists that the military-technical side of doctrine must also emphasize the defense, not offense. The strategic aim in the new policy is the "prevention," not the "waging" of war.

We cannot know with confidence the long-term "intent" of Soviet foreign policy. The goal might be expansionist. We can, however, infer with confidence that Gorbachev has made the Soviet Union a status-quo power for the present. Moreover, centrifugal political forces in the union republics even raise questions whether the present Soviet territorial composition and political structure can be maintained intact. The extraordinary direction that Soviet foreign policy has taken under Gorbachev clearly requires major adjustments in all aspects of Soviet military policy.

Military Strategy

What do the foreign policy changes mean for contemporary Soviet military strategy? As understood by the Soviet Union, military strategy is a subcategory of "strategy" writ large—which includes ideology, foreign policy, military strategy and policy, and economic policy. The military leadership has a special responsibility for the internal logic of military strategy, but the political leadership has always held authority over where military strategy fits into the overall Soviet strategy in the international class struggle and foreign and economic policy. Thus, while military strategy as a subcategory has an internal logic of its own, this logic is not pursued independently. Arms control, conducted as diplomacy, naturally has a fundamental impact on military strategy as it relates to weapons development and force-building. Accordingly, the military leadership has been called upon to coordinate the various military factors that bear on arms control negotiations.

Gorbachev's "new thinking" has triggered an unusually sharp debate over Soviet military strategy. The debate encompasses a wider group of participants than any such discussion since the early 1920's. The Foreign Ministry has asserted itself in an uncharacteristic fashion, not only in the formal policy process but also by allowing its publications, particularly its *Vestnik,* to be used by civilian critics to enter the debate. And of course, the institutes of the USSR Academy of Sciences concerned with foreign, economic, and security policy have been vocal participants.

As noted above in the discussion of Soviet foreign policy, Gorbachev and his reformers have already recast the basic framework in which military strategy must operate. They have done this primarily through ideological revisions that relegated "class struggle" to a secondary place and, as a consequence, heightened Soviet engagement with the West and China.

Consequently, the role of military strategy in the larger external strategy—what is often called "grand strategy"—has been markedly reduced. Civilian critics have argued with great force that the mix of military, ideological, political, and economic means in Soviet strategy has been too heavily weighted toward the military. They insist that enormous military power has not translated into increased political effectiveness vis-à-vis the West. Rather, it has provided cohesion to NATO and served to justify the large military buildup in the United States over the past decade. Moreover, these critics point to the period 1955–58, when Khrushchev effected a 37-percent reduction of forces without reducing Soviet security, since the reductions were accompanied by a major peace offensive against the West.[7]

As evidenced by his decisions to reduce forces unilaterally and to reduce defense spending, Gorbachev has clearly been persuaded by these arguments. In fact, almost all of the developments in Soviet military policy over the past three years make sense only in the context of a new strategy in which the role of military power is greatly reduced.

Gorbachev can point to considerable successes for his new strategy. The Soviet Union is being seen in the West as much less threatening, and the Western military establishments are beginning their own responses in the form of reductions of spending and forces. Even in Afghanistan, the withdrawal of Soviet forces has not yet meant the collapse of the client government.

In Germany and Eastern Europe, however, the record looks mixed in the eyes of some of Gorbachev's critics, not least, the military. Obviously Gorbachev intended a withdrawal of some Soviet forces from the Warsaw Pact states, but it is doubtful that he anticipated the rapid collapse of communist regimes there, particularly in East Germany. Soviet spokesmen had been telling Westerners for some time that Soviet forces would be out of Eastern Europe by the year 2000, but as

[7]V. V. Zhurkin, S. A. Karaganov, and A. V. Kortunov, "On Reasonable Sufficiency," *SShA—Ekonomika, Politika, Ideologiya* (Moscow), No. 12, 1987, pp. 14–20; S. Blagovolin, "Geopolitical Aspects of Defensive Sufficiency," *Kommunist* (Moscow), No. 4, March 1990, pp. 114–23; and A. Kireyev, "Conversion in the Soviet Dimension," *Mezhdunarodnaya Zhizn'* (Moscow), No. 4, 1990, pp. 99-110.

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political developments have spun out of the Kremlin's control, that date will have to be considerably advanced. The reformers supporting Gorbachev may not see this as a misfortune but rather as an opportunity for reducing further the role of the military in the mix of instruments for Soviet strategy.

Arms control negotiations have been de-emphasized somewhat as a component of Soviet strategy if only because events in Eastern Europe and Western military reductions have tended to move ahead of what diplomats can achieve at the negotiating table. This is particularly true for conventional arms control. However, when it comes to nuclear weapons—particularly strategic weapons—arms control negotiations are likely to retain an important place. Gorbachev may well achieve something close to his aim of denuclearizing Europe—except for the British and French forces. Large reductions of nuclear arms appear to be coming, but the rhetoric of a nuclear-free world is likely to remain just that: rhetoric.

Although the military component of the current Soviet strategy is necessarily small, placing an emphasis on the primacy of defense, the overall strategy remains very much geared to the offense. This point was emphasized by Colonel-General V. N. Lobov, then first deputy chief of the General Staff, in a television interview: "Now, in order to avert war, an active policy must be pursued; an active economic policy and an active diplomatic struggle must be waged."[8]

Not only is the role of military strategy in Soviet strategy being reduced, the very orientation of military strategy is apparently also being revised. This is perhaps best detected by examining changes in the closely related area of Soviet military doctrine (doctrine being the play book on which the strategic game plan draws).

Military Doctrine

The latest revolution in military technology and Moscow's new foreign policy and military-strategic orientation have seriously undermined the "offensive" bias that has informed the military-technical aspects of Soviet military doctrine since the early 1920's. The first revolution in Soviet military affairs, which began the emphasis on the offense in Soviet military doctrine, stemmed jointly from Bolshevik ideology and from the new technologies of aviation, motorization, and chemical weapons that emerged in World War I. The advent of nuclear weapons brought about a second revolution in the Soviet military, one that reinforced the focus on the offense in Soviet military thinking and force development.[9]

In the 1970's, the advent of new technologies, particularly micro-electronics and directed-energy applications in non-nuclear weapons and military equipment, heralded a third revolution in military affairs. The initial response of the Soviet military was to place even greater emphasis on the offense, on higher-speed theater operations, on operations on a larger scale with "strategic" importance. Marshal Nikolay Ogarkov's term for this development was the "theater strategic operation," which envisioned the capture of most of Western Europe in about one month, or less than half the time assumed necessary for the task in the 1960's and 1970's.[10]

However, as the unfolding military revolution precipitated unprecedented difficulties for the USSR, the focus of military doctrine took a sharp turn. In his report to the 27th CPSU Congress in early 1986, Gorbachev unveiled the idea of "reasonable sufficiency" in national defense.[11] In subsequent months, he explained that this doctrine required a structure of Soviet military forces sufficient for repelling aggression but insufficient for conducting offensive actions. The ambiguity inherent in this definition generated a Soviet debate over what levels of nuclear and conventional forces are required for "reasonable sufficiency."

Civilian analysts of military affairs, most of whom work in institutes of the USSR Academy of Sciences, have called for the most dramatic changes in the military-technical aspect of doctrine. They have borrowed heavily on American concepts from the 1960's concerning nuclear weapons, and they go so far as to argue that far from protecting the USSR, Soviet military programs have been the major stimulus to the arms race and the source of an increased Western threat to the Soviet Union.[12]

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[8]Moscow Television Service in Russian, Oct. 15, 1988, translated in Joint Publication Research Service, *USSR: Military Affairs* (Washington, DC—hereafter, *JPRS-UMA*), No. 88-025, Oct. 21, 1988, p. 6.

[9]William E. Odom, "Soviet Force Posture: Dilemmas and Directions," *Problems of Communism* (Washington, DC), July-August 1985, pp. 1–13.

[10]Ibid.

[11]M. S. Gorbachev, *Politicheskiy doklad XXVII s'yezdu Kommunisticheskoy Partii Sovetskogo Soyuza* (Political Report to the 27th Congress of the Communist Party of the Soviet Union), Moscow, Politizdat, 1986, p. 95.

[12]For example, see A. Arbatov, "How Much Defense is Sufficient?" *International Affairs* (Moscow), No. 4, 1989, pp. 31–44; "A Conversation to the Point Is More Useful," *Kommunist Vooruzhennykh Sil* (Moscow), No. 22, 1989, pp. 17–21; G. Arbatov, Speech at the Congress of People's Deputies, Moscow Television Service in Russian, Dec. 16, 1989, trans. in Foreign Broadcast Information Service, *Daily Report: Soviet Union* (Washington, DC—hereafter, *FBIS-SOV*), Dec. 18, 1989, pp. 68–70; S. Blagovolin, "The How and Why of Military Power," *Mirovaya Ekonomika i Mezhdunarodnyye Otnosheniya* (Moscow—hereafter, *MEiMO*), No. 8, 1989, pp. 5–19; idem, "Geopolitical Aspects of Defensive Sufficiency," loc. cit.; V. Zhurkin, S. Karaganov, A. Kortunov, "Old and New Challenges to Security," *Kommunist*, No. 1, January 1988, pp. 42–50; and G. Kunadze, "On the Defensive Sufficiency of the USSR Military Potential," *MEiMO*, No. 10, 1989, pp. 68–83.

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Senior military spokesmen have fought a delaying action against this onslaught by civilian critics. They agree with the civilians to the extent of fixing on Gorbachev's notion that the purpose of Soviet military might must be to "prevent war," not to wage it, as the old definition of military doctrine specified.[13] Minister of Defense Yazov has produced what he calls a "new model" for Soviet security, one that accommodates the "defense" rhetoric and some cuts in Soviet forces, but avoids the explicit criteria for defensive posture that the civilian critics advocate.[14]

The focal point in this struggle in late 1989 and early 1990 was the USSR Supreme Soviet's effort to draft a "law on defense." Clearly, the civilian critics of existing policies have their main leverage in this legislative process. In the new Committee on Defense and State Security, where the law is under discussion, the conflict has become quite volatile. It is here that a few field-grade officers even joined the effort to push through a radical change.[15] While it is too early to know how this struggle will turn out, Gorbachev told the senior military in the context of the May 9, 1990, Victory Day celebration that they must prepare for considerably more "*perestroyka*" in the military.[16] Yazov reported the main outlines of the Ministry of Defense version of military reform in the June 5, 1990, issue of *Krasnaya Zvezda*. While it makes minor concessions toward eventual professionalization of the armed forces and reflects several force structure changes in progress, it probably appears too conservative to the radical reformers in the Supreme Soviet.

Regarding nuclear forces, the debate involves at least three issues. The first is whether "military-strategic" (nuclear) parity with the West should continue to be maintained on a "quantitative" basis or be redefined on a "qualitative" basis. The former relies on parity in numbers of strategic nuclear delivery vehicles and warheads, while the latter relies on parity in ensuring the infliction of an unacceptably damaging second strike. A second but closely related issue involves whether counter-force or counter-value targeting should define future military requirements. The final issue involves whether the precise level of "reasonable sufficiency" should be maintained unilaterally or continue to be determined by the perceived level of external threat.

In this debate, the civilian analysts have introduced such Western terms as "deterrence,," "counter-force," "counter-value," and "second strike," whereas the military spokesmen have eschewed such language and have insisted that these Western doctrinal concepts, particularly "deterrence," are wholly outdated and irrelevant to the Soviet debate.[17] In the absence of an official and uniform statement of guidelines, we have little clue as to the precise form the new doctrine will take.

There also remain numerous ambiguities at the conventional level. According to Marshal Sergey Akhromeyev, the Soviet Defense Council deliberated for two years before having the Warsaw Pact announce a new "defensive" doctrine in May 1987.[18] The official rhetoric insists that Warsaw Pact forces are strictly defensive and are being restructured to prevent a surprise attack—a process whose completion is conditional on a similar restructuring of NATO forces. However, the concept of a "counteroffensive" is very much in the center of discussions in the Soviet press—the issue being whether a counterattack by forces of the Warsaw Treaty Organization should be at the tactical level only or also at the operational and strategic levels. Among others, Marshal Akhromeyev argues that a "strategic-level" counteroffensive capability is compatible with the new doctrine.[19]

Again, as in the case of strategic nuclear forces, it is not yet clear precisely how the new policy of "reasonable sufficiency" will affect conventional force structure. In casting its future modernization efforts, the Soviet military has begun to focus on "advanced conventional munitions" (ACM's). Yet, the work of Soviet military science in this connection raises real questions about how defensive Soviet military doctrine really is. The new weapons, according to Soviet theorists, make even more ambiguous the distinction between offense and defense. Moreover, ACM's are seen as equaling nuclear weapons in their effect on the nature of future

[13]See General of the Army D. T. Yazov, "The Military Doctrine of the Warsaw Pact, a Doctrine of Defending Peace and Socialism," *Pravda*, July 27, 1987; idem, "On the Basis of the New Thinking," *Krasnaya Zvezda* (Moscow), Apr. 13, 1989; General of the Army M. A. Moiseyev, "Soviet Military Doctrine: Realization of Its Defensive Thrust," *Pravda*, Mar. 13, 1989; and Marshal S. F. Akhromeyev, "The Doctrine of Preventing War, Defending Peace and Socialism," *Problemy Mira i Sotsializma* (Prague), No. 12, 1987, pp. 23–28.

[14]D. T. Yazov, "New Model for Security and the Armed Forces," *Kommunist*, No. 18, December 1989, 61–72.

[15]See Stephen Foye, "The Radical Military Reforms and the 'Young Turks'," Radio Free Europe-Radio Liberty, *Report on the USSR* (Munich), Apr. 13, 1990, pp. 8–10; also, "Pressure on Officers Drafting Reform Reputed," *Komsomolskaya Pravda* (Moscow), Apr. 8, 1990, trans. in *FBIS-SOV*, Apr. 10, 1990, p. 66, for details of the programs pushed by the Supreme Soviet committee.

[16]See M. S. Gorbachev, "Lessons of the War and Victory," *Pravda*, May 9, 1990.

[17]See V. Dmitriyev and V. Strebkov, "Outdated Concept," *Krasnaya Zvezda*, Apr. 10, 1990.

[18]Unpublished speech to the Council on Foreign Relations in New York, June 1987.

[19]The author heard Akhromeyev make this argument twice during his visit to the United States in 1987.

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war. In most regards, ACM's will displace nuclear weapons because they permit more effective achievement of intercontinental targeting for military purposes than nuclear weapons afford.[20]

Whatever the tactical and operational doctrine, the trend is to put the emphasis on quality of weapons and forces, not—as in the past—on quantity or both. It might be noted that in the past revolutions in Soviet military affairs, too, the emphasis was initially on quality—on obtaining new weapons and equipment and mastering them—and only later was there expansion of the overall size of the forces. Given the state of the Soviet economy and the broad nature of Gorbachev's economic reforms, a return to quantity of forces is not to be expected in the next few years, perhaps not even in a decade or two.

Naturally the implementation of the changes in doctrine is bound to have a large impact on all other categories of military policy—manpower, military industry, and military organization.

Military Manpower Policy

The present Soviet manpower system was developed to meet the requirements of military doctrine spelled out by Marshal V. D. Sokolovskiy's volume *Soviet Military Strategy*.[21] Accepting the possibility of nuclear war at the tactical, operational, and strategic levels, the Soviet General Staff believed that manpower needs would be greater than for any previous war. The technical-cultural level of the troops and officers would also have to be higher.

A new military service law, promulgated in 1967, was supposed to meet the new realities. It retained the principle of universal military service, and it shortened the term of service from three to two years for most soldiers, and from four to three years for the navy and technical branches.[22] The growing urbanization of the population and the greater number of conscripts with a secondary education were expected to provide a qualitative improvement in manpower. The new system had the advantage of bringing a larger portion of each annual cohort of draft-age youths to active duty, which, in turn, served to build a very large pool of reserves in the event of general mobilization. Those youths who did not serve in the armed forces received elementary military training in secondary school and in DOSAAF, a mass voluntary society dedicated to teaching military specialties. Everyone, therefore, was being trained in military skills on a basic level.

The manpower system inherited by Gorbachev had two other features that deserve mention. The first was the principle of "extraterritoriality," or "service in a distant place," which assigns soldiers to units far from their home region.[23] Although it has never been officially admitted, this principle appears to have a political motivation. It ensures that troops in any garrison will have no close personal ties with families and friends in the surrounding civilian society. If troops must be used to maintain order, it is best to use troops whose sympathies for the local populace are unlikely to be strong.

Second, there are no "national" units, i.e., units based on a single ethnic group or using a language other than Russian.[24] All units have a mix of nationalities. In the construction forces and some others, ethnic minorities bulk large, and in the combat units and technical branches, Slavs tend to predominate. In spite of these ethnically biased manning policies, the general principle of mixing nationalities is maintained. Not surprisingly, language is a problem. The official policy line, however, is that mixed units perform a positive social function by bringing members of different nationalities together so that they get to know and respect each other. Military service is said to perform the role of "Sovietizing" the population and diminishing separatist feelings. It is supposed to foster a common Soviet culture based on the Russian language. Realities, of course, have been somewhat different.

Three major developments in manpower policy have been initiated during Gorbachev's rule. The first concerns the senior command cadres. The second concerns a unilateral force reduction. And the third involves a broad debate about the current system of universal military service.

Purge of senior military cadres. In the aftermath of the Cessna flight to Moscow's Red Square by the West German youth Mathias Rust, Gorbachev started a sweeping purge of senior officers.[25] Marshal Sergey Sokolov, the incumbent minister of defense, and Marshal Aleksandr Koldunov, deputy minister for Air Defense Forces, were promptly relieved of their duties.

[20]See Mary C. FitzGerald, "Advanced Conventional Munitions and Moscow's Defensive Force Posture," *Defense Analysis* (Elmsford, England), May 1990.

[21]V. D. Sokolovskiy, *Voyennaya strategiya* (Military Strategy), Moscow, Voyenizdat, 1962. The volume was published in English translation under the editorship of Harriet Fast Scott as *Soviet Military Strategy*, New York, Crane, Russak, and Company, 1975.

[22]Ellen Jones, *Red Army and Society*, Boston, Allen and Unwin, 1985, pp. 37ff, 52ff.

[23]Ibid., p. 185.

[24]Ibid.

[25]*Krasnaya Zvezda*, June 17, 1987.

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This was followed by the relief of several generals and many lower-ranking officers in the Air Defense Forces. As the months passed, reasons were found to remove several deputy ministers of defense, and Marshal Viktor Kulikov departed from his post as commander of the Warsaw Pact forces.

Potentially the most significant change was Marshal Akhromeyev's retirement from the post of chief of the General Staff not long after Gorbachev announced to the United Nations General Assembly in December 1988 his plans for a unilateral reduction of half a million in Soviet military personnel. It is not certain, however, that this retirement reflected Akhromeyev's disapproval of the reduction, as has been suggested.[26] After all, Akhromeyev had been in the United States trying to persuade Americans of the genuineness of the Soviet Union's new defensive military doctrine. Moreover, he seems to be highly trusted by Gorbachev and, in retirement, has become a member of Gorbachev's personal staff of experts.

Akhromeyev's departure nonetheless marked the removal from active duty of the last of the marshals of the Soviet Union. Ogarkov was retired from his post as commander of the Western High Command, and several others departed their posts for "heaven," the nickname of the Inspectorate General in the Ministry of Defense where retired senior officers are assigned. This clean sweep of the most prestigious and strong personalities among the senior military elite was a major step by Gorbachev, but one hardly noticed in the West.

No less important were the choices Gorbachev made to lead the military. General of the Army Dmitriy Yazov, who replaced Sokolov as minister of defense, had only recently been brought by Gorbachev from the Far Eastern Military District command to serve as deputy minister of defense for personnel. Yazov was a surprising choice in light of the past criteria for such a post. He was an obscure officer with little to distinguish him, either in command-and-staff experience or in demonstrated intellectual qualities as a military theorist. Compared to Marshals Akhromeyev, Kulikov, Ogarkov, and many others, including several lesser-ranking colonel-generals, Yazov was remarkably unimpressive. That may be the very factor that prompted Gorbachev to choose him. Gorbachev does not need as minister of defense a strong figure who might challenge his policies. He needs someone dependent on him and loyal in carrying through military reforms. In the course of 1989 and 1990, Yazov has, it is true, taken some strong stands against more radical proposals for change, and he was directly involved in curbing unrest among the national minorities, visibly so in the cases of Georgia, Azerbaijan, and the Baltic republics (in the last case, it is not clear whether his actions betoken independence from, or compliance with, Gorbachev's will). By and large, though, he has proven a responsive subordinate.

Gorbachev's selection of then Colonel-General Mikhail Moiseyev as the new chief of the General Staff seemed to reflect similar calculations. An equally undistinguished officer with no experience on the General Staff, and only a 1982 graduate of the General Staff Academy, Moiseyev must have struck most of the general officers as an insult to the tradition of the post. Former incumbents have been highly distinguished as military intellectuals as well as strong leaders. In Moiseyev, neither characteristic is evident to date.

The change of personnel in the senior ranks has not been confined to these few key figures.[27] A look at all of the deputy ministers of defense, the first deputy chiefs of the General Staff, the commander and chief of staff of the Warsaw Pact forces, all the commanders of Soviet groups of forces and fleets, and all military district commanders reveals only two incumbents with a tenure predating Gorbachev's becoming general secretary: Aleksandr Yefimov, deputy minister of defense for Aviation since 1984, and Vitaliy Shabanov, deputy minister of defense for Armaments since 1978. Some of the new incumbents, to be sure, have been promoted or moved from other high-level posts, i.e., all the faces are not new. This turnover in leadership rivals that resulting from Stalin's bloody purge of the Red Army in 1937. Clearly, Gorbachev has attempted to break bureaucratic lethargy and passive resistance in the military leadership by the traditional revitalization of cadres.

Manpower reduction. The second development in manpower policy is Gorbachev's unilateral reduction of Soviet military forces by 500,000 personnel. All the senior military had been insisting in public that there should be no unilateral reductions, only negotiated ones. Moreover, there are rumors that Gorbachev actually intended to announce a 1-million man reduction but met such strong disapproval that he compromised on half a million.[28]

Reductions in the enlisted ranks can be effected by normal attrition and the lowering of the number of conscripts. Reduction in the number of officers is more

[26]For example, see Bernard Trainor, "Soviet Split Seen on Military Cuts," *The New York Times*, Dec. 8, 1988.

[27]Linda S. Brewer, "The Soviet Military Elite Under Gorbachev," unpublished paper by the Air Force Intelligence Agency, Aug. 22, 1989.

[28]For example, see *Moskovskiye Novosti* (Moscow), Feb. 21, 1988, trans. in *FBIS-SOV*, Feb. 24, 1988, p. 73.

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troublesome. The General Staff has apparently been in turmoil over the method of selecting officers to be released from active duty. Many voices have cried out that high-quality officers should be retained and the weaker ones released, but the administrative means for realizing such a selection process apparently do not exist. According to American visitors who discussed this issue with military officials in the Soviet Ministry of Defense, a number of ad hoc measures have been devised to try to save the best officers. The officer efficiency report system, however, does not make this easy, and the tendency is to make the choice at the local level. Officers of the General Staff were fearful that all kinds of non-meritocratic criteria would be used and yield some very undesirable results. Moreover, able officers tend to be more confident about finding a civilian career and are more likely to try to leave, while weak officers will try to stay on active duty.

Concerned with overall officer morale, the General Staff has apparently tried to find civilian housing and jobs for released officers, treating each case separately.[29] The task has proven enormous and is likely to continue throughout 1990.[30]

Conscription and universal service. It is the questioning of the conscription and universal service system that has upset the military leadership the most. The matter surfaced in the fall of 1988, when Moscow TV called for a public discussion of the present system. A short time later a free-ranging round-table discussion was held in Moscow, and its deliberations were published.[31] At the round table, seven officers and six civilians vigorously debated a number of shockingly radical arguments. Predictably, follow-on articles, reporting, letters to the editor, and debate have deluged the popular press. Moreover, the issue has come up in the Supreme Soviet.

A number of critical questions have been raised concerning the existing system of military service in the Soviet Union. In the first place, the public sees the external threat to Soviet security as declining or even as nonexistent. Some see such threat as there is to be emanating not from the West but rather from Islamic southwest Asia. The main point here is that Gorbachev's new directions in foreign policy have begun to have a profound effect on the public consciousness and traditional views of "How much defense is enough?" The public answer on manpower is that the diminishing threat justifies "a lot less" than in the past.

Then there is the strong feeling that the military lives in a closed and privileged world, separated from and hostile to society. The number of voices making this charge is quite large. In some garrison cities, political officers have tried to dispel this attitude by opening up the barracks to visits by the local population, but the results have not been good, if press reporting is a valid indication. To reformers, a large military presence also has the unsettling potential for bolstering the internal threat from domestic conservative forces who might try to turn back *perestroyka*. "On whose side will the army be?" in that event, one commentator in the round-table debate asked.

The distance between the society and the military is evident in resentment against the relatively privileged life of the officer corps, who are seen as living far above the societal norm, as receiving special access to consumer products, and as enjoying better housing. At the lower ranks and in remote garrisons, the charge of great privilege is simply not valid, but in the case of the general-officer ranks and in some of the field-grade ranks and posts it is accurate.

Also, the war in Afghanistan has had a deeply demoralizing effect on the public, undercutting the icon-like image enjoyed by the Soviet Armed Forces since victory in World War II. Returning veterans have carried their stories home, painting the Soviet military in a very bad light. Numerous rumors abound regarding the total number of soldiers killed in Afghanistan.[32] Veterans are forming support groups and trying to help one another adjust to their lives as civilians as they deal with the psychological impact of the war.[33]

Then there is the issue of *dedovshchina*—the hazing of first-year soldiers by second-year soldiers (the latter known as "granddads," or "*dedy*"). Such hazing has sometimes been quite vicious, leading to deaths from suicides and beatings. Although Western analysts have been aware of *dedovshchina* for some time, it has only been during the past year of its open discussion that we have learned how widespread the public's knowledge and condemnation of it is. Parents of youths who will soon become conscripts have been particularly vocal. The issue has ethnic overtones, with charges increasing that Slavic soldiers single out soldiers of other ethnic groups for hazing.[34]

There is also concern regarding the trade-offs be-

[29] *Kraznaya Zvezda*, Mar. 30, 1989; and *Sovetskaya Rossiya* (Moscow), Mar. 8, 1989, trans. in *FBIS-SOV*, Mar. 10, 1989, p. 101.

[30] *The Washington Post* of May 26, 1990, carried a report from East Berlin that the Soviet Union was blaming a massive housing shortage at home for delays in the withdrawal of some 36,000 troops from East Germany.

[31] "Army and Society," *XX Century and Peace* (Moscow), No. 9, 1988, pp. 18–28.

[32] Radio Free Europe-Radio Liberty, *Daily Report* (Munich—hereafter, *RFE-RL Daily Report*), No. 211, Nov. 6, 1989.

[33] Ibid., No. 204, Oct. 26, 1989.

[34] Suzanne Crowe, "Soviet Conscripts Fall Victim to Ethnic Violence," *Report on the USSR*, Oct. 13, 1989, pp. 8–9.

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tween the needs of the society at large and those of the military for educated and skilled young people. The system of universal military service has been accused of disadvantaging Soviet higher education by forcing the best university prospects to delay their education for several years while they serve in the military. Promising students, because they are the best candidates for the technical services, frequently end up in branches requiring three years of active service. The 1967 service law was amended in the summer of 1989 to permit greater latitude for deferment of such youths, and a considerable number were released early from service later in the summer.[35] The impact of this move on the military has been sharp. According to accounts by some US visitors to Soviet military units, especially at naval installations, the loss of these young men has hurt combat readiness quite seriously.

The problem of assuring that servicemen have adequate educational and technical-cultural skills to operate modern weapons is becoming more acute, notwithstanding the relatively great strides the Soviet military has made in upgrading officer training and in recruiting more urban youth with a better familiarity with modern industrial life. Even under the existing system, the demands of high-technology weapons and equipment in general are said by some critics to exceed the skill levels of the conscripts even after they have been on active duty their entire term. These critics insist that a voluntary system with five-year tours of duty is essential to train adequately an enlisted manpower base. As one observer put it: "In two years, our soldiers only learn how to break modern weapons, not how to use them. That requires at least five years."[36] The military, particularly the Navy, has tried to deal with this problem by having a very large complement of warrant officers and junior officers performing what would be the jobs of privates and junior noncommissioned officers in a Western army.

Finally, growing ethnic awareness and self-assertion in the Soviet Union are affecting the military service system. The principle of "extraterritoriality" for place of service is under heavy attack. In the Baltic republics and in Georgia, the local legislatures have tried to pass laws requiring that local youths perform military service near their homes, or at least in their union republics.[37] The Ministry of Defense has been under strong public pressure on this issue, and unless Moscow is prepared to crack down on the nationalities in general, it is likely to be forced to yield ground on this matter. In fact, the center has already granted informal concessions to Georgia and the Baltic republics, allowing one-fifth of the conscripts from those republics to serve near their homes.[38]

Nationality concerns have surfaced in other ways, particularly in criticism of hazing. Moreover, the popular fronts in the Baltic republics have actively encouraged conscripts not to serve in the Soviet army. They have picketed military installations and carried banners demanding that Soviet forces go home. The political officers have tried to dampen some of this local national activity, but press accounts indicate that they have had little or no success.

A few small measures have been taken to respond to some of these pressures. As mentioned, more deferments of university-bound youth are being authorized. In addition, a new post of "legal officer" has been created in parallel with the political officers,[39] with an eye to dealing with *dedovshchina* and other abuses of soldiers. Where a large cadre of trained legal officers will come from, however, is far from clear.

A variety of concrete proposals regarding the system of military service have been put forward, but essentially there are three positions.[40] First, some call for a wholly voluntary force, with sufficiently high pay to attract enough skilled manpower. This proposal envisions a greatly reduced force structure, far below anything discussed in official circles. A second proposal harks back to the mixed system of a regular "cadre" army and a much larger territorial militia that was devised by Mikhail Frunze and existed from the early 1920's until about 1936. Finally, some advocate no change.

The "no-change" position is primarily held by the senior military leaders, although Fleet Admiral Vladimir Chernavin, chief of the Navy, has shown sympathy for a professional enlisted force.[41] Figures like Yazov, Moiseyev, and Aleksey Lizichev (Chief of the Main Political Directorate of the Soviet Army and Navy) have been scathing in their criticism of the "incompetence" of the reform advocates.[42] In defending the status quo, the senior military elite has not always used the best argu-

[35] *Izvestiya* (Moscow), Apr. 12, 1989; and Radio Free Europe-Radio Liberty, *Radio Liberty Research* (Munich), RAD Background Report/200, Oct. 30, 1989.

[36] "Army and Society," loc. cit.

[37] Crowe, loc. cit.

[38] See Elizabeth Fuller, "Georgians Win Concession on Military Service," *Report on the USSR*, July 7, 1989.

[39] *RFE-RL Daily Report*, No. 124, July 3, 1989.

[40] See A. Savinkin, "What Kind of Armed Forces Do We Need?" *Moscow News*, Nov. 6, 1988, p. 6.

[41] See Mikhail Tsypkin, "Will the Soviet Navy Become a Volunteer Force?" *Report on the USSR*, Feb. 2, 1990, pp. 5–7.

[42] See D. T. Yazov, *Krasnaya Zvezda*, Apr. 13, 1989. For others, see discussion in Robert Arnett and Mary C. FitzGerald, "Restructuring the Armed Forces: The Current Soviet Debate," *Journal of Soviet Military Studies* (London), forthcoming in June 1990.

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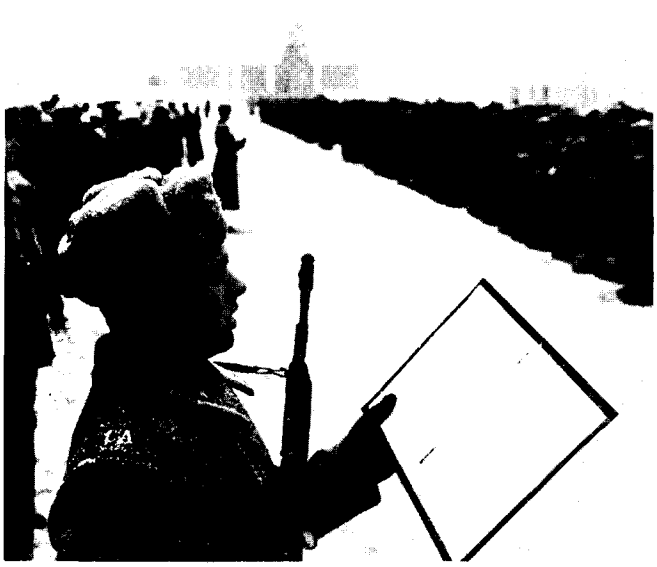

At left, a Soviet draftee reads aloud the soldier's oath in front of his unit; at right, delegates to the founding congress of "Shield," an independent organization of Soviet soldiers and veterans.

—TASS from SOVFOTO.

ments. Moiseyev declared that a professional army based on voluntary recruitment would cost "five to eight times as much" as the present system. Several weeks after a civilian critic had chided him sharply for such an imprecise cost estimate, the Chief of the General Staff lowered his estimate to "three to four times," but the precision obviously had not improved very much.[43]

The only other proponents of "no change" are members of the "Council of Socialist Movements," a pro-Russian "informal" organization set up to oppose the popular fronts in the Baltic republics and elsewhere.[44] One of the three major points in its political program is maintenance of the present strong military posture of the Soviet Union. CPSU Politburo member Yegor Ligachev has endorsed similar views in talks to meetings of "workers' fronts."[45]

A surprisingly large number of lower-ranking officers and ordinary soldiers have joined the critics of the current system in the open press.[46] Surprisingly, many of these are political officers, i.e., part of the system of political commissars through which the party has traditionally sought to guard the "redness" of the troops. Some are retired. What political weight they carry is far from clear. Some have formed a military union, which seeks higher pay, opposes the activities of the CPSU in the military, and objects to hazing.[47]

The Ministry of Defense has made a number of efforts to deal with this gap opening up between the junior and senior ranks of the officer corps. The most conspicuous has been the convocation of an "All-Army Officers' Assembly" in December 1989,[48] a move evocative of the "officer assemblies" of tsarist times, which also were dedicated to improving the morale of junior officers.

Civilian critics have been the strongest proponents of change to a smaller, professionally competent manpower base. A few of them have offered bitter diatribes against the present military policies, and have even taken Gorbachev to task for some of his figures on spending and the imprecision or inadequacy of promised cuts in military budgets. Finally, the chairman of the Supreme Soviet Committee on Defense and State Security has come out publicly in favor of changing the military manpower system, although he added that the costs must be closely examined before the present system is altered.[49]

Some signs of compromise on the issue have appeared recently. In his June 1990 report on military reform,[50] Marshal Yazov noted that in 1991, a form of "contract service" will be tried out in the Navy. Conscripts will choose whether to serve for a fixed term of

[43]Moscow TASS International Service in Russian, May 3, 1989, trans. in *FBIS-SOV*, May 3, 1989, p. 88.
[44]*Krasnaya Zvezda*, July 19, 1989.
[45]*RFE-RL Daily Report*, No. 138, July 24, 1989.
[46]See, for example, ibid., No. 21, Jan. 29, 1990.
[47]For example, see, A. Davydov, " 'Shield' Will Protest From Injustice," *Izvestiya*, Oct. 25, 1989.
[48]See *RFE-RL Daily Report*, No. 233, Dec. 8, 1989.
[49]*Izvestiya*, June 26, 1989.
[50]*Krasnaya Zvezda*, June 5, 1990.

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two years (previously three years), or under contract for three years at a pay rate of 150 rubles a month (the regular conscript pay is about 5 rubles a month). If this test program works, it may be expanded later. In the larger context, this is a very minor concession by Yazov.

How are we to interpret this public debate? How did it get started? Perhaps it was wholly spontaneous, a fortuitous coincidence of a number of criticisms that sparked a wider discussion. However, given Gorbachev's unilateral reduction of 500,000 military personnel and the resistance he met in pushing it through, it may be that he and his liberal supporters orchestrated the discussion in order to create the proper public climate for even larger reductions of active-duty manpower. The way in which the debate began—with TV discussions and a huge number of articles in the press—favors the second view.

If the debate was indeed instigated by Gorbachev, he took a rather large risk in exploiting anti-military sentiments, not just among the public at large but also among the national minorities. He has also risked undercutting the moral foundations of the Soviet military by letting it be knocked off the iconostasis of the church of Soviet patriotism and subjected to widespread and sharp public criticism. Indeed, Gorbachev has begun to back-pedal on making the military put up with public abuse. For example, he recently stated in a talk to Komsomol congress delegates that a volunteer army is precluded for the present because of the large costs it would entail.[51] After the army met public resistance to call-ups for units used in repressing the Popular Front in Azerbaijan in January 1990, his language toward the military has become more conciliatory (and he even promoted Yazov to Marshal of the Soviet Union on May Day 1990).

Resistance to conscription increased sharply in the course of 1989 and 1990. Various figures for the number of resisters have been published. Chief of the General Staff, General Moiseyev, mentioned 7,500 in the USSR,[52] but other reports mentioned 5,000 in Lithuania alone.[53] Although rumors of a postponement of the May call-up proved unfounded, the semiannual call-ups are becoming tests of Soviet authority in the union republics, and are causing a crisis for the military in particular and the Soviet regime in general. Thus, military manpower policy now stands at the very center of the national secessionist struggle, particularly in the Baltic republics and the Transcaucasus.

Whither Soviet military manpower policy in general? It is too early to say, but the context is being created for rather dramatic additional changes. The purges of the senior ranks, the unilateral cut of 500,000, and the growing resentment against the present conscription system suggest that more than minor changes could occur. We should not be surprised at additional large reductions in active-duty manpower and perhaps the adoption of a new military service law that would create a much smaller regular force and extend the length of service. The more technical services—the Navy, the Air Force, and the Strategic Rocket Forces—may well shift to a de facto professional force.

At the same time, some factors are working against this outcome. The problems in the union republics are probably frightening some of those who earlier were willing to support major changes. It is difficult to believe that they want to see national minority military units, but abandonment of the principle of "extraterritoriality" would lead, de facto if not de jure, to such a consequence. It might well prove impossible to maintain Russian as the language of command and training in units dominated by one ethnic group. Finally, conservative voices, such as those in the senior military and party circles, are bound to raise objections to the deleterious impact that public criticism is having on the image of the military and on patriotic sentiment.

The policy could go either way, toward more radical changes or toward retreat and maintenance of the present system. Clearly the pro-Gorbachev reformers will push for more radical changes.

Military Industry and Procurement

The present poor state of the Soviet economy has been perhaps the major catalyst for the turn in Soviet military policies. This highlights the long-term symbiosis of economic policies and military considerations in the Soviet Union. A brief historical review of the relationship between the military and industry can help bring into sharper focus what is new and what remains unchanged in today's situation.

As the young Soviet regime developed a strategy for economic development in the mid-1920's, the impact of aviation, motor transport, and chemical weapons on warfare was articulated repeatedly by the military leaders, and not without effect. The profile of leading sectors of industrialization in the first Five-Year Plan reflected the party's deep concern with military-industrial potential. It can be argued that military factors were the dominant criteria in the structure of the plan and the determination to accelerate the pace of industrialization in 1927.[54]

[51] *Pravda*, Apr. 12, 1990.
[52] *RFE-RL Daily Report*, No. 243, Dec. 22, 1989.
[53] Ibid., No. 35, Feb. 19, 1990.
[54] Odom, "Soviet Force Posture. . . ," loc. cit.

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As a result, during World War II, Soviet weapons and the capacity of domestic industry to produce them were quite remarkable, given the backward state of the Soviet economy two decades earlier. The wartime experience reinforced the propensity in elite party and military circles to let military-technological considerations drive industrial priorities. After the war, a new "revolution in military affairs"—the advent of nuclear weapons, rocketry, cybernetics, computers, and guidance systems—had a serious impact on economic reconstruction and development. Military industries were given priority, particularly in the post-reconstruction period beginning in the late 1950's. Notwithstanding the vicissitudes introduced by Khrushchev's somewhat erratic military policies, the military-industrial base expanded steadily throughout the next two decades.

The Military-Industrial Commission (VPK), headed by a deputy chairman of the Council of Ministers and linking all economic ministries with a role in military production and research and development, held a firm grip on the economy.[55] The State Planning Commission (Gosplan), whose deputy chairman for a long time was a colonel-general, ensured that overall economic planning supported the military sector adequately. The State Committee for Material-Technical Supply (Gossnab, the agency controlling allocation of producer goods) gave first priority to military industries in both quantity and quality of material supplies. Finally, the network of "military representatives" inside military-industrial firms enabled the Ministry of Defense to control quality and reject products that did not meet its standards.

Tasks of research and development (R & D) were managed in a number of places. The design bureaus in the Armaments Directorate of the Ministry of Defense have traditionally played the leading role in this regard, but the more complex character of newer weapons shifted the center of gravity for military R & D to the design bureaus in the Ministry of Defense Industry. By the 1970's, however, the various bureaus were proving inadequate to the task. More and more often, they were forced to contract research work with institutes in the Academy of Sciences. "Big science," as it was called, required a coordinated effort transcending the resources of design bureaus. The State Committee on Science and Technology (GKNT) played this coordinating role and also worked with the KGB in the acquisition and utilization of foreign technologies.

But by the mid-1970's, it was becoming clear to Soviet military leaders that they were facing a third wave of new military technologies.[56] The developments in micro-electronics, the semiconductor revolution and its impact on computers, distributed processing, and digital communications were affecting many aspects of military equipment and weaponry. Lasers, or directed-energy systems, were having a similar impact. Yet another family of technologies, genetic engineering, seemed to have potential for biological and chemical weapons. The Soviet Academy of Sciences and the military have invested heavily to stay abreast in this last area of technological change.

During his tenure as chief of the General Staff, Marshal Ogarkov aggressively pursued the practical inferences of these new technologies for weapons and doctrine.[57] He was explicit in calling their impact yet another revolution in military affairs, rivaling the change generated by nuclear weapons. Although doctrine and military planning moved quite far in adjusting to the potential of "advanced conventional munitions," as they are called, the large bureaucratic Soviet military-industrial complex was proving unable to hold up its end. As observed earlier, it was here that a crisis was developing, not only for the economy at large but also for the military.

The sense of crisis was compounded by the realization that in dealing with the new challenge, the Soviet economy would be less able than previously to exploit what economists have called "the advantages of backwardness," i.e., the possibility of borrowing technology from advanced industrial states and thereby avoiding the costs of development. In the first two revolutions in military affairs, this approach had yielded satisfactory results. However, in the "information age"—in the application of the new technologies concerned with micro-electronics, computers, and lasers—it is not so clear that borrowing in the traditional fashion will work effectively. The Soviet society and economy have been remarkably resistant to the far-reaching educational and cultural changes required to exploit the potential of these technologies. To Soviet planners, therefore, it probably appears that they have come to an economic and R & D dead end. To get out of it requires more than adaptations. Fundamental reforms are imperative.

Minister of Defense Yazov and Chief of the General Staff Moiseyev have themselves both acknowledged that the US military buildup of the last decade has led the Soviet Union into a "qualitative" arms competition that is exhausting the Soviet economy.[58] Capable of

[55]David Holloway, "Innovation in the Defense Sector," in Ronald Amann and Julian Cooper, Eds., *Industrial Innovation in the USSR*, New Haven, Yale University Press, 1982, pp. 303–11.

[56]Odom, "Soviet Force Posture. . . ," loc. cit.

[57]Ibid.

[58]D. Yazov, *Krasnaya Zvezda*, Feb. 9, 1989; and M. Moiseyev, ibid., Feb. 10, 1989.

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winning the "quantitative" competition—i.e., the building of more weapons—Soviet military industry has lost the competition to exploit technology for qualitatively superior weapons. Moreover, the strains induced by both military competitions have contributed to a crisis of the economy as a whole. To escape from the latest arms competition is thus essential for the Soviet economy in general and for the military in particular.

The current crisis is so severe that Gorbachev has apparently decided to focus on the overall health of the economy at the expense of the military-industrial complex, relying on "new thinking" in foreign policy and doctrine to diminish the threat from abroad while the economy gets back on its feet. The Soviet effort to deal with the crisis has involved a number of sometimes disconnected and not terribly effective policies. However, these measures may, in the aggregate, have a dramatic impact on the old entrenched military-industrial structure and procedures.

First, reform economists have pushed for price reform and the introduction of market forces in industry in general, including in the military sector. They clearly appreciate that the present command economic system and existing investment priorities are biased in favor of the military sector. A fundamental objective of economic reform, they argue, must be to break the priority enjoyed by the military industries. But this is no easy task. Although the military establishment may be willing to surrender on some fronts, it has invoked the Gorbachev-approved slogan of quality over quantity to claim priority in most R & D allocations and to justify major industrial endeavors.

Had Gorbachev been able to introduce a market system in the distribution of production inputs, something he apparently intended to do with the new economic law on enterprises promulgated in July 1987, the market might have drawn resources away from the military sector. But, the new law, as approved, was a compromise with the central planning bureaucracy, and there has been only marginal growth in the activity of the factors market.

Third, in the last two years, there has been much discussion of a program for "conversion of defense industries."[59] It envisions the shift of many military-industrial firms to the production of consumer goods. The Academy of Sciences has created a new "National Commission for Assistance to Conversion of War Industries to Civilian Production," and a number of other organizational moves to support conversion have been taken. But, to date, the promise has been much greater than the delivery.

A number of things make conversion difficult. Although military-industrial firms have traditionally had

Military vehicles produced in the military factories of the Leningrad Military District are offered for sale to civilian enterprises.

—TASS from SOVFOTO.

two lines of production—one military and one civilian (the latter existing in order to make full use of plant capacity when there are slowdowns in military output)—the kinds of goods these plants produce for civilian consumption are not the ones that the population most needs at present. For example, a radar plant may produce television sets. That does not address present shortages of clothing, soap, and food. Nor is it the kind of product needed for restructuring civilian industrial plants to make them more effective in their production.

To convert the civilian output of defense industry to the proper mix of new goods, a large investment in new plant equipment and tools is required. The conversion process, instead of providing easy relief by shifting neatly from "guns to butter," is thus placing a new demand for investment on an economy that is already woefully short of investment capital. What is worse, lacking market-determined scarcity prices, there is no basis for judging where investments will yield the greatest efficiency in new production.

Nevertheless, the current leadership appears to place great hope in conversion.[60] The goal is to have 60 percent, as opposed to the current 40 percent, of the

[59]John Tedstrom, "Conversion and Problems of Industrial Science," *Report on the USSR*, Aug. 25, 1988, pp. 19–20.

[60]In outlining the targets for the 1991–96 economic plan, Premier Nikolay Ryzhkov noted that 176 military-industrial firms are now producing for the agro-industrial complex. See *RFE-RL Daily Report*, No. 196, Oct. 16, 1989.

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output of the military-industrial sector be civilian products by 1995.[61]

There are some who question the real aims of the defense conversion program and ask who is really swallowing whom. Although the restructuring is supposed to push 420 military firms toward the civilian sector, there are cases where civilian plants are being moved under the control of the Military Industrial Commission. In the view of one critic, Premier Nikolay Ryzhkov's recent call for an additional 9 billion rubles to convert military industries looks more like a measure of further militarization than of "demilitarization."[62]

Of greater importance to military industry is the 14.2 percent cut in defense spending for 1990 announced by Gorbachev. Until recently, it was not clear of what sum that figure represented a percentage. The official calculation of the all-Union defense budget is in flux. Gorbachev admitted that the 1989 figure was 77.3 billion rubles, far above the originally stated 20-plus billion rubles, which apparently included only operations and maintenance for the military but not procurement costs. The projection for 1990 was originally announced as 82.9 billion rubles, and it is from this sum that the 14.2 percent reduction is apparently to be taken. Thus, in a report to the Supreme Soviet, Finance Minister Valentin Pavlov gave a revised projection of 70.9 billion rubles for 1990 Soviet defense expenditures. According to Pavlov, this included a drop in the operations and maintenance budget from 20.2 billion to 19.0 billion rubles, a 15 percent decline in military construction, and a 19.5 percent decrease in procurement.[63]

These reductions will have a significant impact on the defense sector, but they will certainly not destroy the dominant position of military industries in the command economic system. The prices designated by Gosplan for purchase of military goods have always been notoriously low, or so many Western estimates have inferred. The costs of production are not covered fully by the monies earned from sales to the state. The gap has been taken up by credits extended by the State Bank. Thus the true costs of defense, even in state-fixed prices, have been hidden.

To deal with this, reformers are trying to force into the open the true extent of military production costs. According to an article in the party journal *Kommunist,* all defense industries were put on the system of *khozraschet,* or cost accounting, in January 1989. No additional state monies were to be provided, and firms were

Soviet Marshal Sergey Akhromeyev with US Congressman Les Aspin, chairman of the House Armed Services Committee on July 21, 1989, when the Soviet officer testified before the committee about planned reductions in Soviet tank production.

—The New York Times/Andrea Mohin.

to cover their production costs entirely from what they recover by sales of products. According to the article, existing state prices are too low to cover costs, and thus most defense firms are experiencing deficits. To prevent chaos and deterioration in military-industrial firms, the commentator proposed that the state negotiate new prices with the firms, treating them as "cooperatives" —i.e., leasing them plant and equipment and letting their managers develop real costs for products. The newly negotiated prices would have to cover the production costs and related expenditures, such as research and development.[64] Were such a reform of the prices of military products to be carried out, the overall procurement budget for the military would rise dramatically, or, alternatively, the state would be forced to purchase fewer weapons. Without one or the other step, the firms face bankruptcy or will require a financial bailout by the state.

Whether or not such drastic steps will be taken, the issue of military procurement will be brought into the open as never before and make it harder for both the

[61] *RFE-RL Daily Report,* No. 234, Dec. 11, 1989.

[62] See Kireyev, loc. cit., for the best explanation of the competing aims of the conversion program.

[63] Ibid., *RFE-RL Daily Report,* No. 183, Sept. 26, 1989.

[64] Aleksandr Isayev, "Reform of the Defense Sector," *Kommunist,* No. 5, March 1989, pp. 24–30.

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military and the central planning bureaucracy to suppress debate over its high costs. It remains to be seen whether Gorbachev and the reformers will prevail in imposing *khozraschet* or be forced to rescue ailing military firms with state credits.

There are signs that procurement of weapons is being curtailed. Marshal Akhromeyev, in his appearance before the US House of Representatives Armed Services Committee in July 1989, promised that Soviet tank production would be decreased by 50 percent in the near future.[65] If this and the proposed decrease of 19.5 percent in the 1990 defense procurement budget are an index of general trends, then quite large reductions are to be expected. If they do not occur, then it will be a sign that the economic reformers are losing their struggle for a basic restructuring of the economy.

A change in military-industrial policy, any way one looks at it, is a key factor in the overall Gorbachev reform program, and it will be one of the weather vanes for his progress. By themselves, however, cuts in military industry and conversions to civilian production will not deal with the basic problem of the Soviet economy. Until market forces are allowed to determine prices and production, the inefficient bureaucratic features will prevail.

Reorganization of the Military

Gorbachev's restructuring efforts have already affected virtually all levels of military organization and promise to go on. They have been quite sweeping in the aggregate, including changes at the top in command and control and extending downward into force structure. Although restructuring is still incomplete in many cases, it is possible to describe the general outlines of the reorganization and give some impressions of the direction, rationale, and implications of Gorbachev's changes.

Political command. To begin at the top, Gorbachev has revitalized the Defense Council and expanded its membership. He blurted out a few details on this development during Yazov's confirmation appearance before the Supreme Soviet. The General Secretary acknowledged that the Defense Council had been at work for a long time dealing with his proposed reforms, that the marshals were resistant, and that the Council membership was being expanded to allow better civilian representation. Belated efforts to censor this part of the open record of the Supreme Soviet proceedings suggest that these changes were not meant to be made public. We cannot, therefore, expect to learn a great deal more about the details, but those that Gorbachev provided are interesting.[66]

The present membership, as he outlined it, includes Gorbachev himself (in his capacity as president of the Supreme Soviet), the minister of defense, the chairman of the Council of Ministers, the foreign minister, officials who supervise defense industries (probably the chairman of the VPK, the head of Gosplan, the minister of the Defense Industry, and maybe the Central Committee secretary in charge of defense industries), and some of the "principal command staff," i.e., senior military personnel (probably the chief of the General Staff and some of the deputy ministers of defense). A surprising omission in Gorbachev's enumeration of the present membership were the two traditional members, the chairman of the KGB and the minister of internal affairs, both of whom control significant numbers of armed forces.

Gorbachev complained that the Defense Council had become dormant under Brezhnev and that its actions were merely "formal." From his remarks, Gorbachev seemed intent on making the Defense Council the focal point for all military policy at the highest level. Lev Zaykov, a Politburo member, has been made deputy chairman and relieved of his duties as Moscow party chief, thus allowing a high-level figure with defense industry experience to devote full time to the Defense Council. Presumably Marshal Akhromeyev, as Gorbachev's military adviser, is also a key figure. Such appointments tend to make the Defense Council less dependent on the Central Committee apparatus for staffing. This offers one more piece of evidence of Gorbachev's scheme for moving real political power into the Supreme Soviet at the expense of the party.

After all this buildup, however, the Defense Council has recently suffered an eclipse. With the creation of a new position of President of the Supreme Soviet as head of state, there was also created a new Presidential Council. Its functions include "elaborating measures to ensure state defense" and providing guidelines for both foreign and security policy. It cannot issue decrees or instructions, but merely serves as an advisory body for the President, who has enormous powers in these areas. To all appearances, the old role of the Defense Council seems to have been subsumed under

[65]Statement of MSU S. F. Akhromeyev to the US Congress on July 21, 1989; see report in *The New York Times*, July 22, 1989.

[66]Alexander Rahr, "Gorbachev Discloses Details of the Defense Council," *Report on the USSR*, Sept. 15, 1989, pp. 10-12.

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the Presidential Council, which includes most of the members of the Defense Council, in addition to numerous other persons with little background or authority in defense matters.[67]

The military leadership was clearly upset with the new arrangements. General Moiseyev, for one, found the new law creating the Presidency and the Presidential Council seriously flawed. It omitted, he said, any role for the Defense Council, and therefore the new body's functions with regard to military affairs required clarification. The Chief of the General Staff noted the law's failure to provide adequate specificity regarding important powers of the President, including "the right personally to make the decision and issue authority to use nuclear weapons as a retaliatory measure."[68] Apparently, nuclear command authority is ambiguous in the new Soviet state structure!

The Defense Council's political troubles are not only with the Presidential Council. According to some Soviet officials working with the Supreme Soviet's Committee for Defense and State Security, the committee has challenged the role of the Defense Council.[69] In seeking to learn the precise functions spelled out by law for the Council, the Supreme Soviet committee discovered there were none, beyond vague references to defense policy. The committee has tried, without notable success, to absorb some of the functions that would otherwise belong to the Defense Council.

The Committee on Defense and State Security is truly a new kind of player in Soviet military policy-making. The Ministry of Defense sees it as a source of problems and has tried to pack its membership with officials from the military-industrial sector. The committee has struggled, with little success, to get information about defense spending and other matters. Drafting the new law on defense has given it only limited leverage over the Ministry of Defense. The liberal reformers on the committee realize that they do not yet control the power of the purse.[70] Realization of this aim will remain remote as long as instruments of the command economy, especially Gosplan and Gossnab, remain in control of resources, priorities, prices, and budgets.

At present, the highest-level defense policy organs are in a state of confusion about which has what functions. The outcome is unpredictable. The Presidential Council could develop a subgroup effectively replacing the Defense Council. Or the Defense Council could reemerge with legally specified functions. It is not clear how strong Zaykov's position is after his removal from the Moscow City party organization. The Supreme Soviet's Committee on Defense and State Security has proven a rather feckless newcomer to military policy-making. If it can push through new laws, it might become significant in the policy arena, especially if those laws affect the levels of resource allocations for the military in a significant fashion.

Military command. Moving to the military proper, the General Staff has also undergone changes, but again few details are available. According to one report, its size has been reduced by one-fifth.[71] Whether the cut represents only a personnel reduction or includes structural changes as well is not clear, but in light of other changes in the General Staff, structural changes would seem to be indicated. While the General Staff apparently continues to be the working organ, the executive body for the supreme military and civilian leadership, its dominant role—one it has built since the 1960's—is being trimmed back.

This is evident from a recent change in military organization. Since the fall of 1989, the Border Troops, the Ministry of Internal Affairs (MVD) forces, KGB formations, and the Railroad Troops are no longer a part of the Armed Forces of the Soviet Union.[72] The meaning of this reorganization for the General Staff is not immediately clear, but it can be inferred from a review of the General Staff's history. The General Staff only dates back to 1935.[73] The previous General Staff of the Red Army had operational control only over ground forces, and not over the Navy, the People's Commissariat of Internal Affairs (NKVD), the Border Troops, and other formations. Although the General Staff assumed control over many more military units during World War II, after the war, its powers were restricted again, and the Navy's relation to it became ambiguous at best. By the late 1960's, however, the General Staff had clearly regained a dominant position in the military structure, asserting operational control over all aspects of military activities and not just over the activities of the forces under the Ministry of Defense.

In practice, this meant that operational control for an episode such as the use of military forces in Georgia to deal with public demonstrations was exercised by the

[67]See *The New York Times*, Mar. 25, 1990.
[68]See his interview in *Krasnaya Zvezda*, Mar. 16, 1990.
[69]From conversations the author had with Soviet officials.
[70]From conversations the author had with Soviet officials connected with the Supreme Soviet and research institutes.
[71]*RFE-RL Daily Report*, No. 212, Nov. 7, 1989.
[72]"Article 86. On the Removal from the Composition of the USSR Armed Forces of the Border, Internal, and Railroad Troops," *Vedomosti Verkhovnogo Soveta Soyuza Sovetskykh Sotsialisticheskykh Respublik* (Moscow), Mar. 22, 1989, p. 136, trans. in *JPRS-UMA*, No. 89-016, June 27, 1989, p. 34.
[73]M. A. Gareyev, *M. V. Frunze: voyennyy teoretik* (M. V. Frunze: Military Theoretician), Moscow, Voyenizdat, 1985, p. 171.

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General Staff. The new status of the KGB, Border Troops, MVD forces, and Railroad Troops means that they are not under the operational direction of the General Staff, and are now apparently subordinated directly to the Defense Council. Thus, Gorbachev has a more immediate role in their use and direction.

Another small change related to the internal security forces is the creation of "special-purpose detachments" in several cities to control crowds and demonstrations. They are recruited mainly from former paratroopers and *Spetsnaz* soldiers with an average age above 30. Press reports declare that they are receiving extensive training in putting down disorderly crowds with as little physical abuse of individuals as possible.[74]

So far there have been no announced cutbacks in the "high commands"—combining several groups of forces (fronts in wartime) and military districts (also fronts in wartime)—which marked the major structural development of the 1980's in the Soviet armed forces. However, at the next level, reductions have already been made. The old system of 16 military districts covering the entire Soviet Union has been reduced by two, as the Central Asian Military District and the Ural Military District have been merged into neighboring military districts.[75]

A similar kind of consolidation also has apparently occurred in the Soviet forces in Eastern Europe. It has been reported that the former Group of Soviet Forces Germany (GSFG) has been renamed the Western Group of Forces.[76] Given the small size of the Northern, Central, and Southern Groups of Forces in Poland, Czechoslovakia, and Hungary respectively, the renaming of the GSFG suggests (although there has been no public evidence for the inference) that these other groups may have been merged under the new Western Group of Forces command.

There have also been changes in the force complement of the so-called "border districts."[77] Henceforth, they are to have as their primary force structure machine gun–artillery divisions, units that have a purely defensive mission. Where and in what number such units will be deployed is not clear.

Dropping down to the divisional level of organization, Gorbachev asserted to the Supreme Soviet during General Yazov's confirmation hearings that 101 divisions had already been demobilized.[78] They were, he said, found only to be "feeding troughs" for officers. The validity of this figure was called into question when a delegation from the US House Armed Services Committee tried to confirm it during its visit to the Soviet Union in late 1989. The Soviet respondent said Gorbachev meant 101 "units," not "divisions," although some of the units were divisions. Given the Soviet practice of keeping a large number of divisions manned at 10 to 15 percent of full strength, it could be that this reduction involves a cut of 101 such divisions. More recently, in reporting on military reform, Marshal Yazov specified a cut of 21 divisions, two combined-arms armies, two army corps, and a number of formations (*ob'yedineniya*) and units (*chasti*) of other branches of services.[79]

An additional feature of the restructuring of divisions is the removal of 20 percent of the tanks from Soviet tank divisions and 40 percent of the tanks from Soviet motorized rifle divisions in Eastern Europe.[80] Precisely what the new composition of the divisions will be is not yet clear. Nor is it clear whether the change applies only to divisions in Eastern Europe or will be instituted more widely throughout the Soviet military.

A number of other structural changes are resulting from Gorbachev's unilateral force reductions. In addition to the removal of six Soviet tank divisions from Eastern Europe, the USSR has announced and begun an overall reduction of 10,000 tanks (5,300 from Eastern Europe), 8,500 artillery pieces, and 800 combat aircraft (260 from Eastern Europe), and the withdrawal of some air-assault units and assault-bridging equipment from Eastern Europe as well.[81] In line with the new emphasis on defense, increases in air defense, anti-tank, and obstacle capabilities are planned. The concept of "fortified regions" has also emerged in the discussion of these efforts to strengthen the defensive capabilities of Soviet and Warsaw Pact forces.[82]

This rundown of the general outlines of organizational change reveals a number of trends and implications. First, the proposed changes are not small ones; if carried through, they will be far more than cosmetic. At the top, they have thus far introduced a great deal of confusion about defense policy responsibilities. The greatest potential for significant change lies with the Supreme Soviet Committee on Defense and State Security. Were it to acquire a genuine "power of the purse," that would be a dramatic shift. Such a development seems unlikely, however, barring a fundamental dismantling of the

[74] *RFE-RL Daily Report*, No. 125, July 6, 1989.

[75] *Izvestiya*, June 3, 1989; and *RFE-RL Daily Report*, No. 169, Sept. 6, 1989.

[76] Moscow TASS in Russian, June 29, 1989, trans. in *FBIS-SOV*, June 30, 1989, p. 70.

[77] D. T. Yazov, "In the Interests of Universal Security and Peace," *Izvestiya*, Feb. 28, 1989.

[78] Aleksei Pakin, "Army for the People, or for Generals?" *Moscow News*, July 23, 1989, p. 13; and Moscow Domestic Service in Russian, July 3, 1989, trans. in *FBIS-SOV*, July 5, 1979, p. 49.

[79] *Krasnaya Zvezda*, June 5, 1990.

[80] D. T. Yazov, *Izvestiya*, Feb. 28, 1989.

[81] Ibid.

[82] See Colonel A. G. Khor'kov, "Fortified Regions on the Western Borders of the USSR," *Voyenno-Istoricheskiy Zhumal* (Moscow), No. 12, 1989, pp. 47–54; and V. I. Levykin, *Fortifikatsiya: proshloye i sovremennost'* (Fortification: Past and Present), Moscow, Voyenizdat, 1987, pp 150–59.

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whole command economy bureaucracy.

Second, while the changes consolidate the military command structure, creating savings in personnel and headquarters, they do not reverse the major command-and-control developments that Ogarkov's General Staff sponsored in the late 1970's and early 1980's. The new "high commands" remain in place, and the General Staff appears to retain the dominant control over all Ministry of Defense forces, although it has lost operational authority over the Border Troops, the MVD troops, and the Railroad Troops.

Third, the organizational changes do seem to negate the capability for a faster and larger-scale theater strategic operation that Ogarkov labored to create. The unilateral force reductions in Eastern Europe, at least on first reflection, eliminate the Western High Command's capability to take the offensive quickly. More mobilization time will be needed, and some of the restructured units may not have the capability to participate in deep offensive thrusts.

Fourth, while much force structure is being cut, nothing has occurred to prevent a new approach based on "quality versus quantity" in modernizing Soviet forces. Whether that modernization will be aimed at creating a force with little or no offensive potential remains a wide-open issue, and we are not likely to know the answer for some time. What we do know is that much of the recent literature on doctrine for the present revolution in military technology raises questions regarding the new primacy accorded defense over offense by asserting that the distinction between these two forms of warfare is declining.

On the whole, Gorbachev has shown a remarkable capacity to force *perestroyka* on Soviet military institutions. But whether the reform has passed the point of no return remains unclear. He appears to have the momentum, and the final results could include far more dramatic changes than those discussed here.

Party-Military Relations

The critical question is: can Gorbachev continue his military *perestroyka* without creating a crisis in party-military relations? Many in the West have thought not, and as rumors of military coups abounded, Western observers have predicted that sooner or later the General Secretary will be a casualty of a coup directed against him. Yet, the fusion in the party-military relationship that occurred in the first decade of the Soviet regime has remained unbroken thus far.

Western analysts have long argued about the degree to which Soviet party-military relations are inherently conflict-ridden.[83] In the 1960's, Roman Kolkowicz predicted increasing military autonomy and a tendency toward the emergence of institutional pluralism in Soviet politics at the expense of party control. Had that analysis been valid, today we should be seeing a quite different military, one that would never have let Gorbachev go so far in changing military policy.

Defense Minister Dmitriy Yazov and General Secretary Mikhail Gorbachev review the May 9, 1990, Victory Day parade in Red Square.

—Reuters/Bettmann.

Another view, held by Timothy Colton, judged the relationship as much less conflict-ridden; however, he also saw the potential for conflict and serious control problems for the party—it was just that in the 1970's, the military was getting everything it asked for. If this analysis were valid, we should be seeing today a Soviet military that is very active in politics, refusing to accept unilateral cuts and budget reductions, and stretching the limits of party control.

Yet a third view, held by this author, insisted that there exists in the Soviet Union a basic congruence of party and military values and ideology and that the military is essentially a sub-unit within the party—its military component. Disputes over issues of military policy are normal, but they cut across the military-civilian boundary to become intraparty disputes. In this analysis, marshals and generals are party executants. Moreover, the network of party and police controls within the military virtually ensure subservient military behavior. The

[83]The three positions presented below were debated in Dale R. Herspring and Ivan Volgyes, Eds., *Civil-Military Relations in Communist Systems*, Boulder, CO, Westview, 1978.

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remarkably obedient behavior of the military leadership in the face of the traumatic changes Gorbachev has forced on the Ministry of Defense since 1985 seems to vindicate this last interpretation of the party-military relationship.

True, military leaders are beginning to show overt public resistance to Gorbachev and appear quite angry at *glasnost'* and *perestroyka*, not only as it applies to the military but in application to the society at large. (Ironically—for those Western observers who see the party's ideology as alien to the military—some of the strongest apologists for ideological orthodoxy are military spokesmen!) The military is speaking up, but only belatedly, and it is still following orders. On the whole, the view that the party-military tie is one of ideological congruence and institutional solidarity, reinforced by police and party ties, seems to hold up even in the turbulent times of *perestroyka* when the relations are under more than a little strain. And it should be noted that bureaucrats in the economic agencies and the party apparatus have been no less vocal in opposing *perestroyka,* and in the case of the economic apparatus, much less compliant than the military.

Does this mean that the party-military connection is solid and that the congruence of interests will endure? Not necessarily. To be sure, *glasnost'* and *perestroyka* have much in common with past efforts at political and economic revitalization. Lenin, Stalin, and Khrushchev all believed that party purges and economic reorganization were periodically necessary to overcome stagnation within the system. One of the most spectacular achievements of *perestroyka* to date has been the purge of the party officialdom, including the senior military. But unlike previous purges, this one is not strengthening the party. It is demoralizing and weakening it. At the same time, the reorganization schemes within the Secretariat of the CPSU Central Committee and within the state structure—e.g., the creation of the elective Congress of People's Deputies, the Supreme Soviet, and the new Presidency—are introducing enormous confusion and uncertainty about where power resides, whose authority holds, and who has which duties.

These developments raise fundamental questions about the continuing effectiveness of the old fusion of the party and the military. The KGB counterintelligence departments still exist in the military although they have been compromised and corrupted in many units.[84] The apparatus of party-military administration within the Armed Forces still exists, but it is demoralized, undergoing reform, and apparently yielding ground to new institutions like "officers' assemblies" and "legal officers."

Somewhat more precarious for the party is the emergence of discontent among junior members of the officer corps. A serious bifurcation may be occurring between the senior ranks, on the one hand, and company- and field-grade officers, on the other. The latter show alienation not just from the party but also from the senior military leadership. And they are willing to support civilian radical reformers on military policy.

Our old concepts of civil-military relations will have to be modified to take into account the wide range of changes now in progress. Even if there is a reassertion of authoritarian power at the expense of *glasnost'* and *perestroyka*, some of the changes have gone too far to let us be confident that the old analytic conceptions are still entirely valid.

Conclusions

We are witnessing a profound transformation in the Soviet military—perhaps even greater than the one in the 1920's that created the basic outlines of the present military, military-political, and military-economic structures. Precisely where it will go, and how far, are questions we cannot now answer. The changes, however, are far deeper and broader than the popular image created by Gorbachev's unilateral reductions and enthusiasm for arms control suggests. It affects not only the military but also society at large and the command economic system. Indeed, success in a number of other major areas of reform will depend on carrying through the military reforms.

If it were only that simple, one might be optimistic about the overall prospects for Gorbachev's *perestroyka*. But Gorbachev's broader reform agenda is having paradoxical consequences for military reform. The very strategy of *glasnost'* and *perestroyka* that in foreign policy has removed the rationale for a large standing military has stimulated internal political developments —in particular, secessionist sentiment and ethnic strife in a number of republics—that increase the rationale for maintaining large, politically reliable standing forces. Moreover, *glasnost'* and *perestroyka* tend to undercut the political reliability of those forces. That was dramatically visible during the intervention of January 1990 in Baku. The mothers of Russian and Ukrainian soldiers did not want their sons called up for such an operation and said so publicly.[85] The impact on the Soviet Army was also apparent this spring when a commander in Tajikistan refused to direct his division to help restore

[84]Moscow TASS in Russian, Oct. 4, 1989, trans. in *FBIS-SOV*, Oct. 4, 1989, p. 106.

[85]*RFE-RL Daily Report*, No. 209, Nov. 2, 1989.

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order in Dushanbe for fear of being blamed for the violence, as happened to the commander in Georgia after the Tbilisi affair. Senior military leaders are speaking out bitterly about this problem, not sparing even Gorbachev in their expressions of rage.[86]

Carrying the military changes to this point has contributed to major domestic problems, most notably public outrage at the military, resistance to conscription, and an exacerbation of the nationality issue. In many regards, the paradoxes arising from trying to liberalize a multinational empire in an age of nationalism and attempting to reform the command economy are the very same paradoxes that occur in the restructuring of the Soviet military.

Looking back, it may be that the early part of 1990 represented a major turning point. Until then, the reformers had the initiative, and they were dismantling much of the old structure of the Soviet system, including the military. Yet the social forces unleashed during the debate on military service and the increasing resistance by the union republics to Soviet rule seemed to have intersected in a way that has forced Gorbachev to make a major withdrawal. Sending the army into Baku to arrest the Popular Front of Azerbaijan was an unprecedented step for him. Sending the army to keep order was not new, but this time, the army was sent to destroy a local political movement. Military power is being applied more subtly toward the same end in Lithuania. This is a basic reversal of policy, a serious drawing back from *glasnost'* and *perestroyka* as it was coming to be understood.

The change may be temporary and might be reversed. It has, nonetheless, forced Gorbachev into retreat on some aspects of *perestroyka* in the military, in particular the reform of the military service system. That in turn probably means less dramatic economic reforms in the near term. The requirements for political stability have risen, and given the weakened state of the party, the military is the only fallback for dealing with large-scale resistance and disorders. The KGB and the MVD are too small. The inherent growing dependency on the military for internal political purposes threatens to halt or reverse the radical attempts at military *perestroyka* so vigorously pursued under Gorbachev, especially since 1987.

In this regard, the transformation of the military is a good indicator of how the overall reform process—economic, social, and political—is going .

[86]For examples, see Army General D. T. Yazov's interview in *Pravda*, Nov. 13, 1989; Colonel-General V. F. Yermakov, *Leningradskaya Pravda* (Leningrad), Nov. 24, 1989; and Colonel-General V. Lobov, *Sovetskaya Rossiya*, Oct. 18, 1989.

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The Politics of "Renovation" in Vietnam

Gareth Porter

In the early and mid-1980's, the strangulation of the economy of the Socialist Republic of Vietnam (SRV) by bureaucratic controls, the growth of serious social inequalities due to the power of state and party bureaucrats, and the distance between the party and the people caused alarm within sections of the Vietnam Communist Party (VCP) membership and in its leadership organs. The ruling VCP realized by 1985 that the centralized bureaucratic system of economic management, instead of contributing to rapid industrialization and the building of a strong state, had led to economic stagnation and a dramatic weakening of the regime's legitimacy.

Despite the government's promise in 1976 of a radio, a refrigerator, and a television set for each Vietnamese family within 10 years, the extremely low standard of living of the average Vietnamese did not improve over the next decade. Indeed, in the years following the Communist victory in the war against the United States and the Republic of Vietnam, the physical condition of the average Vietnamese actually declined because of malnutrition, and an increasing percentage of children suffered from low birth weight.[1]

During this same period, inadequate production of consumer goods combined with chronic budget deficits to generate high rates of inflation, which, in turn, exacerbated Vietnam's myriad social problems. By 1985, the purchasing power of the *dong* was declining 16 to 18 percent a month, and the salaries of workers and cadres could only cover a fraction of a family's expenses. The annual inflation rate soared from 50 percent in late 1985 to 700 percent by September 1988. Unemployment and underemployment affected approximately half of the industrial and 30 percent of the agricultural work force.[2]

While ordinary people suffered from severe shortages of basic necessities, higher-level cadres had access to plentiful supplies of consumer goods, including motorcycles, at subsidized prices. Bureaucrats also had better access to housing and to education as well as employment opportunities for their children. There was a growing popular perception that the party/state bureaucracy had become a new ruling class with special privileges based on political-bureaucratic power.[3]

At the Sixth VCP National Congress, held in December 1986, the party's Political Bureau responded to the growing crisis in the country by calling for a thorough "renovation" of the economic management mechanism. But disagreements continued within the leadership over exactly what "renovation"—a term borrowed from East European debates about economic and political reforms—implied for policies toward prices and wages, the relative autonomy of state enterprises, and the relative roles of the state and private enterprises in the economy as a whole. A protracted debate within the Political Bureau, combined with a leadership transition in 1986–88, has led the leaders of the SRV to move

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[1]Vo Nhan Tri, "Party Policies and Economic Performance: The Second Five-Year Plan Examined," in David G. Marr and Christine P. White, Eds., *Postwar Vietnam: Dilemmas in Socialist Development,* Ithaca, NY, Cornell University Southeast Asia Program, 1988, pp. 88–89.

[2]Nguyen Dinh, "Concerning Inflation in Our Country," *Tap Chi Cong San* (Hanoi), October 1977, translated in Joint Publications Research Service, *Southeast Asia* (Washington, DC—hereafter, *JPRS-SEA*), Dec. 1, 1986, p. 35; and *Frankfurter Allgemeine Zeitung* (Frankfurt/Main), June 16, 1987.

[3]For a detailed discussion of these issues, see Gareth Porter, *Vietnam: The Politics of Bureaucratic Socialism*, Ithaca, NY, Cornell University Press, forthcoming.

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stage-by-stage toward curbing the role of the state bureaucracy in the economic system and guaranteeing the long-term existence of private enterprise.

Renovation has been defined as including the "broadening of democracy" through the revitalization —within the framework of firm party control—of political institutions that had grown sclerotic and distant from the masses. The collapse of communist rule in Eastern Europe and the emergence of new liberal currents within the VCP itself have put the party's leadership on the defensive about the VCP's monopoly of political power. But the Vietnamese leaders believe they can manage and contain these pressures for political pluralism, even as they liberalize the economy, promote greater freedom of opinion and mass political participation, and open the country to large-scale foreign investment.

Anatomy of Bureaucratic Centralism

The VCP now refers to its traditional Stalinist system of economic management as the "bureaucratic centralism and state subsidies system" (*co che tap trung quan lieu hanh chinh bao cap*). Under that system, state-owned industrial enterprises were given no responsibility for planning their own production or procurement. The Central Planning Commission imposed detailed production plans, complete with dozens of binding norms, on hundreds of individual production units, provided all the materials to the enterprises, took all of their profits, and subsidized their losses.[4]

A central factor in the malfunctioning of the Vietnamese economy and the opening of a serious gap between the privileged few and the general public was the tendency, beginning in the early 1960's, for wide disparities to develop between the official prices on goods sold by the state and the free-market prices for the same goods. By the early to mid-1980's, the prices of production supplies—such as raw materials, electricity, and coal—that the state provided to enterprises were as low as one-tenth of the market price. The result of this enormous disparity in prices was that a large percentage of these materials ended up being resold by state personnel for large profits.[5] The differential between official and free-market prices enabled officials who controlled goods to line their own pockets, distribute raw materials to cadres and workers, and still claim enough profit for their own unit to earn a commendation from the state. In 1981, the State Inspection Commission discovered that two-thirds of the production of the 626 units they investigated during a single quarter were used to generate profits for their cadres and workers in these ways.[6] Five years later, the SRV officially reported that only 30 to 40 percent of the goods produced by the state consumer goods industries and collective handicraft enterprises (whose production expenses are subsidized by the state) passed through the state trade network.[7] Meanwhile, the state trade bureaucracy—a pyramidal structure with five different levels (central, city or province, ward or district, sub-ward or village, and business cooperative)—used the two-price system to make money on the goods that passed through their hands.[8]

In an economy in which the quickest and surest route to profit was exploiting the price system and inflation, not only enterprises, but every other state agency and political unit as well tried to get into the business of buying and selling commodities either legally or illegally.[9] Provinces, districts, and urban precincts formed their own corporations to purchase imported goods, usually hiring private merchants to purchase goods at the most favorable prices.[10]

In the "bureaucratic centralism" system, procurement prices for grain and other agricultural produce were also well below their market value. In order to subsidize the urban population, the state taxed farmers

[4]In 1981, a small number of state enterprises were permitted to purchase some or all of their supplies and sell all their production in the free market. But the bulk of transactions involving industry were still determined by plans originating in the central state bureaucracy. See International Monetary Fund, *Socialist Republic of Vietnam: Recent Economic Developments*, May 14, 1982, p. 13.

[5]For examples, see Hoang Lan, "Things That Are Legal but Irrational," Hanoi Domestic Service, June 4, 1987, trans. in Foreign Broadcast Information Service, *Daily Report: East Asia* (Washington, DC—hereafter, *FBIS-EAS*), June 18, 1987, pp. N/6–8.

[6]Everyone in the enterprise usually got a share of the production in order to reduce the potential for whistle-blowing. See Thanh Hai, "Prevent Collective Corruption," *Nhan Dan* (Hanoi), May 12, 1981, trans. in ibid., May 28, 1981, p. K/7.

[7]Vo Van Kiet, "Report to the National Assembly on the 1987 Socio-Economic Development Plan," Hanoi Domestic Service, Dec. 26, 1986, trans. in ibid., Dec. 30, 1986, p. K/9.

[8]Thai Duy, "New Year's Hope," *Dai Doan Ket* (Hanoi), Jan. 1, 1986, trans. in *JPRS-SEA*, June 23, 1986, p. 95. VCP General Secretary Nguyen Van Linh observed in 1988 that "supplies must go through a great many levels and steps, each claiming a slice of the pie by making profits from price differentials." See N.V.L., "Things That Must Be Done Immediately," a column in *Nhan Dan*, May 31, 1988, trans. in *FBIS-EAS*, June 1, 1988. p. 68.

[9]By 1986, more than 750 state organs, from the ministerial, provincial, municipal, village, and corporation levels were reportedly involved in trade activities in Ho Chi Minh City alone. Dinh Khuyen, "Dissatisfied," *Doc Lap* (Hanoi), May 28, 1986. On illegal businesses run by collective and state units using capital, materials, and transportation from the state, see Hong Hai, "About the Task of Fighting Against the Negative Aspects in Our Country's Economy Today," *Triet Hoc* (Hanoi), No. 4, December 1985, trans. in *JPRS-SEA*, July 15, 1986, p. 86.

[10]Bui Anh, "Improper Export Activities," *Quan Doi Nhan Dan* (Hanoi), May 27, 1986, trans. in ibid., Aug. 20, 1986, p. 57.

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heavily, using its coercive power to extract what it viewed as the peasants' "surplus."[11] In theory, these low procurement prices were supposed to be balanced by the state's delivery of agricultural supplies, such as fuel, fertilizer, and pesticides, at subsidized prices. In the late 1970's, however, supplies of these commodities became increasingly scarce, and up to half of those supplies that did exist were siphoned off by the economic bureaucracy.[12]

When peasants responded by falsifying their yields in an attempt to evade taxes,[13] the SRV in 1980 sharply raised procurement prices to halt a disastrous decrease in food procurement. Beginning in 1981, contract sales to the government were supposed to be negotiated between farmers and the state trade organs rather than imposed on the farmers unilaterally. In fact, however, the prices were negotiated "with the guidance of the state" and remained far below the market.[14]

The situation steadily worsened during the 1980's. By 1986, the state was supplying only one-fifth the volume of fertilizer to cooperatives that it had supplied in 1980.[15] And the state raised the prices of agricultural supplies without further raising procurement prices. As a result, production costs per kilogram of paddy for cooperatives near Hanoi were 35 percent higher than the procurement price. Meanwhile, the state was increasing contract quotas on foodstuffs.[16] The number of farmers who failed to meet their quotas for the sale of grain to the state steadily increased,[17] and many farmers stopped growing rice beyond the needs of their own families, or simply left farming altogether. Local officials were forced to pay market prices for the rice, even though that violated state policy.[18]

Peasants (and handicraftsmen) also faced a heavy burden of state-imposed taxes and fees. Beyond their agricultural taxes and contract sales to the state, the peasant had to make separate payments to the state for water conservancy, feeding of troops, support of hydroelectric power projects, and tuition, as well as other cooperative fees. Province, district, and local governments all required similar "contributions" of various kinds going beyond central state regulations.[19] These taxes, fees, and contributions, usually paid in paddy, often took 60 to 70 percent—and in some villages in the north, up to 85 percent—of the total grain crop.[20]

In the late 1970's and 1980's, Vietnam's high inflation rate was fueled largely by deficits in the state budget. The budget deficit was relatively stable between 1976 and 1980, averaging an estimated 2.6 billion *dong*. But beginning in 1980, it increased to an estimated 5 billion *dong*, and then averaged nearly 19 billion *dong* for the next three years.[21] A major source of these massive budget deficits was the subsidization of state enterprises and the distribution of consumer goods to urban workers and cadres at subsidized prices.[22] The subsidy bill increased by nearly four times after 1981, to become the largest single item in the budget (save defense expenditures). As of 1987, state subsidies consumed nearly one-third of the budget.[23] Vietnamese central budget expenditures were consistently 25 to 30 percent greater than revenues during the 1976–84 period, so state subsidies were clearly the direct cause of its deficits and of the weakening of the Vietnamese *dong*.[24]

A second source of inflation was an economic bureaucracy that continued to grow uncontrollably. By the 1980's, each province had from 34 to 40 offices of central state organs, with hundreds of subordinate sections.[25] Le Duc Tho declared in 1984 that the state's table of organization could be cut by one-half to two-thirds without reducing its effectiveness.[26]

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[11]As Christine White notes, procurement prices were in theory based on the average cost of agricultural production plus a fixed profit margin, but in practice, the "surplus" for a given cooperative was deducted from the crop in the form of taxes and required sales to the government *before* the "cost of production," defined in terms of the value of workpoints, was determined. See White, "Agricultural Planning, Pricing Policy, and Cooperatives in Vietnam," *World Development* (London), Vol. 13, No. 1, 1985, p. 104.

[12]Dang Quang Van, "Concerning the Unity Between Economic Policy and Social Policy Today," *Tap Chi Cong San* (Hanoi), No. 2, February 1987, trans. in Joint Publications Research Service, *Translation of Tap Chi Cong San* (Washington, DC—hereafer, *JPRS-ATC*), June 22, 1987, p. 63.

[13]Jayne Werner, "Socialist Development: The Political Economy of Agrarian Reform in Vietnam," *Bulletin of Concerned Asian Scholars* (Berthoud, CO), April-June 1984, p. 51; Max Spoor, "State Finance in the Socialist Republic of Vietnam," in Marr and White, op. cit., p. 118.

[14]Dang Quang Van, loc. cit., p. 82; Doan Trong Tuyen, loc. cit., p. 82.

[15]*Nhan Dan,* Oct. 6, 1986.

[16]*Dai Doan Ket,* May 1, 1987.

[17]Do The Tung, "Some Measures to Perfect Product Contracts in Agriculture," *Nhan Dan,* Oct. 6, 1986.

[18]Excerpt from a statement by Nguyen Thi Rao (Ba Thi), "Correct Errors and Shortcomings, Strengthen the Worker-Farmer Alliance," *Saigon Giai Phong* (Saigon), Oct. 27, 1986, trans. in *JPRS-SEA,* Feb. 17, 1987, p. 101.

[19]Ibid.; and *Dai Doan Ket,* May 1, 1987.

[20]Dang Quang Van, loc. cit.; and Thai Duy, "Peasants Must Become the Masters. . . ," loc. cit.

[21]Spoor, loc. cit., Table 7.1, p. 125.

[22]Nguyen Van Linh asserted in 1988 that this situation of "false profits and real losses" by state enterprises was a large part of the reason for the collapse of the Vietnamese economy. Hanoi Domestic Service, June 14, 1988, trans. in *FBIS-EAS,* June 24, 1988, p. 57.

[23]International Monetary Fund, op. cit., p. 19; and Nguyen Van Linh, *Some Pressing Problems on The Distribution and Circulation of Goods,* Hanoi, Foreign Languages Publishing House, 1987, p. 15.

[24]Spoor, loc. cit., Table 7.1, p. 125.

[25]"Renovation of Organization and Operational Methods of the Political System," *Nhan Dan,* July 7, 1989, trans. in *FBIS-EAS,* Aug. 31, 1989, p. 54.

[26]Le Duc Tho, *Xay Dung Dang trong Cach Mang Xa Hoi Chu Nghia o Viet Nam* (Party Building in the Socialist Revolution in Vietnam), Hanoi, Su That, 1985, p. 485.

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Le Duc Tho, one of the opponents of economic reform within the Vietnam Communist Party leadership, seen in April 1985 at observances of the tenth anniversary of the capture of Saigon (now known as Ho Chi Minh City).

—Wide World Photos.

In addition to weighing heavily on the state budget, this huge apparatus manifested a debilitating bureaucratic authoritarian political style and structure. A system of patron-client relations, which had developed during the 1960's and 1970's, protected officials who were taking advantage of subsidized prices to make money. What came to be known as the "umbrella" system involved officials at every level of the bureaucracy. Sponsorship by a high-level party official brought a lower-level cadre quick promotions, salary increases, and special privileges, as well as protection (often arranged by transfers to other, often higher, positions) from punishment for blatant corruption and thievery.[27]

The VCP leadership long relied heavily on secrecy, closed party ranks, and the manipulation of information to avoid pressures for changes in personnel or policy. As Le Duc Tho reminded party members in 1984, "speaking in a disorderly manner outside the [party] conference is a violation of discipline. Only within the organization do we have freedom to speak."[28] Even within the party, however, networks of graft and corruption could not be attacked publicly by party members, because of the alleged need to "protect unity and consensus within the party and state apparatus."[29]

According to a critique in the mid-1980's, VCP congresses at both national and lower echelons had degenerated into "formalism," without any serious debate on policies.[30] An atmosphere of compulsory optimism about the party's general line was fostered by promoting those cadres who flattered their superiors; those who complained were dismissed as "demagogic" and passed over or even subjected to more serious forms of retribution.[31] By the early 1980's, when a party leader visited a province, the cadres accompanying him routinely asked local party committee members not to report negative aspects of the local situation.[32]

Clearly, the first generation of party leaders, who were nearing retirement age in the early 1980's, failed to come to grips with the failure of Vietnam's economic management system during the decade after Hanoi's victory over the South. In the early 1980's, the Political Bureau showed more concern about the renewed vitality of the bourgeoisie in the South—the result of liberalizing reforms there—than about the problem of dismantling bureaucratic centralism.[33] Only at the Eighth Central Committee Plenum in June 1985 did the VCP leadership identify "bureaucratic centralism" as the biggest hindrance to development.[34]

A Decade of Economic Debate

Throughout the 1980's, the Political Bureau was divided between those who believed that the state should not maintain tight controls over production and trade in

[27]Nguyen Trung Thuc, "Umbrella," in the "Ideological Activities" column of *Tap Chi Cong San*, April 1981, broadcast on Hanoi Radio, May 10, 1981, trans. in *FBIS-EAS*, May 12, 1981, pp. K/3–4.

[28]Le Duc Tho, *Party Building*, p. 477.

[29]Nguyen Trung Thuc, "Ideological Life: Words and Actions," *Tap Chi Cong San*, April 1987, trans. in *JPRS-ATC*, Sept. 3, 1987, p. 105.

[30]For a critique of the traditional format of party congresses, see Thanh Thanh, "Ideological Life: The Congress Season," *Tap Chi Cong San*, June 1986, trans. in *JPRS-SEA*, Sept. 23, 1986, pp. 81–82.

[31]Report to the Fifth Party Congress on Party Building Work, by Le Duc Tho, Mar. 27, 1982, Hanoi Domestic Service, Apr. 2, 1982, trans. in *FBIS-EAS*, Apr. 8, 1982, p. K/9.

[32]Tran Dinh Van, "Dialogue-Monologue (The Story of Butakhin)," *Dai Doan Ket*, June 4, 1986, trans. in *JPRS-SEA*, Mar. 19, 1985, pp. 95–96. The author contrasts this situation with Ho Chi Minh's admonition to his guards not to warn localities in advance that he was visiting, so that he could learn the real situation.

[33]In mid-1983, for example, the Central Committee explicitly postponed dealing with the reform of economic management to deal with the "struggle between two roads" (i.e., the struggle between socialism and capitalism). See Hoang Tung, "Some Views on Thoroughly Understanding the Resolution of the Fourth Party Central Committee Plenum," *Nhan Dan*, Aug. 30 and 31, 1983, trans. in *FBIS-EAS*, Sept. 14, 1983, p. K/10.

[34]Luong Dan, "How Is the Bureaucratic Mechanism Faring?" *Lao Dong* (Hanoi), Apr. 3, 1986.

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violation of objective economic laws and those who were primarily concerned with maintaining the supremacy of the state sector in the economy. Debates focused on price policy; the relative roles of the state and private sectors in industry; and the proper roles of administrative measures and of supply and demand in distribution.[35] The major issues and themes of these debates were closely intertwined through each stage of the policy debate.

At the beginning, the proponents of economic liberalization were outnumbered and outranked in the Political Bureau. The first-generation leaders were deeply imbued with the orthodox Soviet view that "commodity relations," i.e., the exchange of commodities and money on the basis of supply and demand, were merely remnants of pre-revolutionary society and should be done away with as soon as possible.[36] Collusion between dishonest state cadres and bourgeois traders was viewed as a manifestation of the threat from class and national enemies rather than as evidence of the degenerative nature of the bureaucratic subsidizing system itself.[37] The state's highest priority was the elimination of private trade. The majority believed that the state had the power to prevent the tendency of free-market prices to increase spontaneously by broadening the role of the state in commerce and increasing efforts to punish and deter speculation and smuggling.

Political Bureau members Vo Van Kiet and Nguyen Van Linh, both of whom were part of a younger generation of party leaders, disagreed with this point of view. Linh, who succeeded Kiet as secretary of the Ho Chi Minh City Party Committee in late 1981, supported the bold economic experiments that Kiet had already initiated there, such as the joint state-private import-export companies that employed Chinese traders with overseas networks.[38] Both Kiet and Linh maintained that the socialist transformation of capitalist trade had been a serious mistake, and argued that a large part of the reason why the state could not meet the needs of the masses for consumer goods was that it was violating economic laws in its pricing policies and its administrative controls over production and distribution. They viewed the increases in prices on the free market as a reflection of objective economic laws, which administrative measures aimed at curbing "speculation and smuggling" were powerless to counteract.

Kiet and Linh called for urgent and far-reaching changes in the economic management mechanism. They advocated the rapid dismantling of the system that provided ration cards for state cadres and workers and low-priced supplies to economic and political units. Tinkering with the system of subsidies, they argued, would only encourage more speculation on price differences and contribute to the cycle of rising prices; the abolition of the system was the only way to stabilize prices and get control of corruption. Finally, they advocated giving state enterprises the freedom to go to the free market for raw materials and allowing small-scale capitalist enterprises to supply state and collective industry as well as to compete with them in production, in order to make the state sector more efficient.

The Political Bureau did not accept any of their proposals and instead supported conservatives who argued that to encourage a free market in supplies and a competing small-capitalist sector would enhance the economic status of the urban bourgeoisie, and that the elimination of the system of supplying goods to workers and cadres at subsidized prices would create great hardships for those who depended on the state for their livelihood. Linh's subsequent (and unexplained) removal from the Political Bureau in 1982 coincided with this shift of the VCP leadership toward a harder line on the private sector. In June 1985, however, Linh was re-elected to the Political Bureau at the Eighth Central Committee Plenum—the only Vietnamese party leader to ever make such a political comeback.[39]

The Resolution of the Eighth Plenum marked a turning point in the ongoing economic policy debate. For the first time, the leadership committed itself to putting an end to "managing the economy mainly with administrative orders." The resolution called for "managing the

[35]Except where otherwise indicated, this analysis of the leadership debate is based on an interview with a Vietnamese economist in November 1982, and the following other sources, which suggest, directly or indirectly, the conflicting views held within the Political Bureau: Doan Trong Truyen, *Mot So Van De Ve Chinh Sach Gia Ca Hien Nay* (Some Fundamental Problems of Price Policy Today), Hanoi, Su That, 1981, pp. 102–06; Dao Duy Tung, "Some Problems of the Resolution of the Fourth Plenum of the Vietnam Communist Party (Fifth Term)," in *Nam Vung Quan Diem Chi Dao Cua Hoi Nghi Trung Uong Lan Thu 4* (Firmly Grasp the Guiding Viewpoint of the Fourth Plenum), Hanoi, Thong Tin Ly Luan, 1983, marked for internal distribution; Nguyen Van Linh, *Ho Chi Minh City: 10 Years*, trans. in *JPRS-SEA*, Aug. 26, 1987, p. 178; Vo Van Kiet, "Problems of Distribution and Circulation—New Solutions Based on New Viewpoints," *Tap Chi Cong San*, June 1987, trans. in *FBIS-EAS*, July 23, 1987, pp. N/1–8.

[36]Vu Huu Ngoan, "Scientific-Practical Conference on Socialist Business: Some Matters of Methodology Concerning Socialist Business in Our Country Today," *Tap Chi Cong San*, October 1986, trans. in *JPRS-SEA*, Feb. 17, 1987, pp. 63–64.

[37]See, e.g., Dao Duy Tung, "The Initial Stage of the Transition Period and the Struggle Between the Two Roads," *Nhan Dan*, June 18 and 29, 1982, trans. in *FBIS-EAS*, July 20, 1982, pp. K/8–12.

[38]The Chinese merchants involved had long-standing contacts with the party. From interview with Nguyen Kuan Oanh, economic adviser to Vo Van Kiet and Nguyen Van Linh, Ho Chi Minh City, August 1982.

[39]For the official biography of Linh, whose real name is Nguyen Van Cuc, see Hanoi Domestic Service, Dec. 18, 1986, trans. in *FBIS-EAS*, Dec. 19, 1986, p. K/15.

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Vietnam Communist Party leader Nguyen Van Linh talks with foreign reporters in Vietnam's National Assembly in June 1987.

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economy on the basis of correctly perceiving and applying objective laws." It approved financial autonomy for basic economic units and an end to state subsidies, citing the system of artificially low prices for producer goods as the most serious form of state subsidies. The resolution demanded a true and accurate calculation of the value of material produced by state enterprises as the most urgent reform.[40]

Political Bureau Resolution 28 on prices, wages, and money, adopted a few months later, in September 1985, however, fell short of the elimination of state subsidies that the Eighth Plenum had appeared to mandate. The leadership was not prepared to eliminate immediately the two-tier price system, fearing that it would push market prices to levels that would be "unacceptable to society." Instead, this resolution offered a "transitional solution": establishment of a new system of fixed official prices for key commodities that would reduce the cost of subsidies to the state budget, while keeping price increases to consumers at "acceptable" levels.[41]

According to Resolution 28, "the largest portion" of commodity subsidies would be eliminated, but certain types of goods would still be rationed. In addition, some imported goods and some domestically manufactured consumer goods would be sold at subsidized prices (though subsidies would be reduced), and such goods as iron, steel, gasoline, and oil would be sold at different prices to the state-operated production sector, on the one hand, and to farmers and consumers, on the other. State grain procurement prices would still be substantially lower than free-market prices, and the state would still supply housing, medicine, and other social welfare benefits without regard to how much labor the recipient provided.

Although Resolution 28 endorsed the idea of gradually moving away from a pricing system under which goods were sold at two different prices, it failed to address the critical issue of which goods were to remain under the two-price system and which should be put under the one-price system at each stage of the transition. The VCP leadership's inability to reach agreement on these issues resulted in the economic bureaucracy's being unable to implement what should have been the most important Political Bureau reform of economic management up to that time.[42]

The plans for "readjustment" in the price system were accompanied by an ill-conceived issuance of a new currency. In an attempt to gain greater control over the distribution of money in the society, the government limited to a minimum the assets that each citizen could convert into the new currency.[43] As a consequence of this measure, free-market prices for staple goods such as pork and rice tripled between September 1985 and March 1986.[44] The currency exchange also did not help raise production or stem the budget deficit. With prices for manufactured goods fixed, and with production costs continuing to rise, more enterprises failed to make any profit, and the state suffered a net loss of capital.[45]

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[40]Nguyen Lam, "Renovation of Economic Management Is an Urgent Task for the Development of Our Economy," *Giao Duc Ly Luan* (Hanoi), March 1986, trans. in *JPRS-SEA*, Sept. 18, 1986, pp. 84–85; and "Thoroughly Understanding the Basic Spirit of Resolution 8," *Giao Duc Ly Luan*, October 1985, trans. in ibid., Apr. 17, 1986, pp. 82–83.

[41]This description is based on "Grasping the Spirit of the Resolution of the Eighth Plenum of the Party Central Committee," *Tap Chi Cong San*, November 1985, trans. in ibid., Feb. 24, 1986, pp. 34–35; and Tran Xuan, "Thoroughly Understand the Party's Views on the Readjustment Made to the Price System," *Tap Chi Cong San*, November 1985, trans. in ibid., Feb. 24, 1986, pp. 44–46; and "Thoroughly Understanding the Spirit of Resolution 8," loc. cit., pp. 83–84.

[42]"Thoroughly Understand the Resolution of the Fifth Party Central Committee Plenum," *Nhan Dan*, July 27, 1988, trans. in *FBIS-EAS*, Sept. 29, 1988, p. 60.

[43]"Grasping the Spirit of the Resolution of the Eighth Plenum of the Party Central Committee," loc. cit., p. 31.

[44]Robert Shaplen, *Bitter Victory*, New York, Harper & Row, 1986, p. 104.

[45]"Thoroughly Understand the Party's Resolution on Prices, Wages, and Money in State-Operated Industry," *Tap Chi Cong San*, February 1986, trans. in *JPRS-SEA*, June 10, 1986, pp. 10–11.

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The VCP's inability to implement either the Resolution of the Eighth Plenum or Resolution 28 reflected fundamental ideological and policy differences among party leaders.[46] Liberal reformists argued that reform measures had failed because the leadership continued to violate objective economic laws. They pointed out that when free market prices underwent a rapid increase, enterprises were prevented from responding appropriately because they had to wait for permission to adjust their prices, a delay that caused a serious slowdown in production and commerce. Private traders, by contrast, were free to take advantage of shortages to make more profit. The liberals also argued that the state trade system could not purchase paddy at the prices it was instructed to apply, because they were unrealistically low to attract sellers.[47]

The conservative evaluation of the situation emphasized the state's failure to "control the market" through administrative measures aimed at private merchants. An editorial in the party's daily newspaper drew the lesson that readjusting prices without "resolutely and continuously attacking" speculators and corrupt state personnel and without "exercising the state monopoly control of staple goods" would cause even greater escalation in free-market prices.[48]

In 1986, the VCP leadership turned to the issue of decentralization of economic decision-making. Although there was general agreement that state enterprises lacked the authority to make the decisions necessary for efficient and rational management of production and distribution, some party officials opposed allowing state enterprises too much freedom in obtaining materials and marketing their products. They feared such a move would inevitably strengthen the collective and private sectors relative to the state sector.[49]

Liberal reformers wanted enterprises to be allowed to make their own decisions about products and pricing on the basis of market demand. They also wanted purchases of goods by the state to be limited to those negotiated through economic contracts with the enterprises. This position, similar to the concept of "market socialism," was rejected by the majority.[50]

The Political Bureau's April 1986 draft resolution on the autonomy of state economic installations fell well short of the autonomy sought by reformers.[51] Most important, enterprises still had to submit a plan for production and finance to the next highest management echelon for approval. However, the plethora of binding norms specifying production costs, labor, and many other aspects of operations formerly imposed on the enterprises by the state was reduced. All enterprises were to be assigned one or more of three basic norms set by the state: total output value, total quantity and quality of key products, and revenue contributions to the state budget.

Those enterprises that produced goods not on the state's list of essential goods and that procured most of their supplies from nonofficial sources would have only one obligation to the state: their contribution to the state budget. Enterprises would no longer be supplied unilaterally with materials by the central state bureaucracy but would have to sign contracts with state material-supply organizations. The latter, which in the past had not been held responsible when they failed to deliver timely and adequate supplies, would be responsible for honoring contracts and would suffer material penalties for failure to do so. Enterprises would have to cover their own costs from their production and business activities. This was what the VCP called "socialist business accounting" (*hach toan kinh te xa hoi chu nghia*). Enterprises that could not operate efficiently enough under the new arrangements to make a profit would ultimately face being closed.

With some exceptions, such as perishable products, enterprises would still have to distribute their production through the state trade organization according to the terms of negotiated contracts. The state would retain full control over the pricing of products it considered centrally important. For other important products, it would establish a standard price, and enterprises would have to justify before the Price Commission any departures from that established price. The enterprises themselves could establish prices on goods of lesser importance, but were expected to avoid "running after" free-market prices.

[46]"Evaluate the Results Correctly, Adhere to the Guidelines, and Continue to Implement the Resolution of the Eighth Plenum of the Party Central Committee," *Giao Duc Ly Luan,* December 1985, trans. in ibid., May 28, 1986, p. 79.

[47]Speech by Nguyen Lam, loc. cit., p. 83.

[48]*Nhan Dan,* Nov. 19, 1985, trans. in *FBIS-EAS,* Nov. 20, 1985, pp. K/5–6.

[49]"Speech by Truong Chinh at Cadre Conference to Study the Draft Political Report to be Presented at the Sixth National Congress of the Party, July 7–10, 1986," *Tap Chi Cong San,* August 1986, trans. in *JPRS-SEA,* Dec. 1, 1986, pp. 11–14.

[50]Vo Chi Cong criticized this position in "The Autonomy and Responsibility of Basic Economic Units in Production and Business," *Tap Chi Cong San,* June 1986, trans. in *FBIS-EAS,* Aug. 4, 1986, p. K/15.

[51]This description is based on the text of the draft resolution on "Ensuring Basic Economic Units' Rights to Autonomy in Production and Business," *Nhan Dan,* Apr. 23, 1986, trans. in ibid., May 20, 1986, pp. K/1–15. For further interpretation, see the speech by Vo Chi Cong, Hanoi Domestic Service, Apr. 23, 1986, trans. in ibid., May 1, 1986, p. K/1; and Nguyen Binh, "Understanding the Main Elements of the New Direction of Thinking Charted in Political Bureau Resolution 306 (Draft)," *Tap Chi Cong San,* March 1987, trans. in *JPRS-ATC,* July 30, 1987, pp. 94–98. For the Council of Ministers Decision No. 76, June 26, 1986, see *Nhan Dan,* July 2, 1986, trans. in *JPRS-SEA,* Aug. 13, 1986, pp. 75–83.

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A Turn Toward Reform

At the Sixth VCP National Congress, in December 1986, the leadership turned to Nguyen Van Linh, then 71, to fill the post of party secretary general left vacant by Le Duan's death six months earlier. The retirement at the congress of Truong Chinh, Pham Van Dong, and Le Duc Tho from the Political Bureau "for reasons of age and health" virtually eliminated the first generation of party leaders from the Political Bureau.[52] Pham Hung was the sole first-generation leader remaining in the body. In addition to Linh's election, the introduction of four new faces into the Political Bureau (Tran Xuan Bach, Nguyen Thanh Binh, Doan Khue, and Mai Chi Tho) and the elevation of Foreign Minister Nguyen Co Thach and Dong Si Nguyen from candidate to full membership helped to move the debate on economic policy in the direction of liberalism.

The Political Report to the congress reflected the impact of this generational change in the leadership: it argued that it was impossible to abolish private trade except by making the state trade sector "outperform" it. The report further warned that an irrational price policy would not stop goods produced by the state from flowing into the free-market economy by devious routes, and that artificially low procurement prices would simply cause peasants to withhold grain from the state. It called for the application of a single price policy, with temporary exceptions for the purchase of farm produce and the retail sale of consumer goods.[53]

But the reformers were in favor of going even further. They called for the replacement of the legal economic norms governing the operations of state enterprises with indirect economic instruments, such as contracts between the state and the enterprises. They also called for free trade in supplies between the state sector and the private and collective sectors, and the application of a single price system to all kinds of goods—not just those considered to be of lesser importance.[54]

At its Second Plenum, in April 1987, the Political Bureau accepted the reformers' view that state prices for food procurement must be the result of genuine, rather than coerced, negotiations with the farmers.[55] Also, after the April plenum, the leadership increased the prices of supplies to state enterprises. It did not, however, eliminate subsidies to the enterprises in the form of capital and credit, nor did it increase their autonomy.[56] The Political Bureau majority continued to hold that the state plan had to remain the dominant influence on economic development, and that the inflation rate had to be brought under control through increases in production before a complete elimination of bureaucratic centralism was possible.[57]

The Third Plenum of August 1987 decided that actual implementation of the new transitional system would begin in 1988. Initially, the system would only apply to those enterprises doing business with foreign countries and those that received nearly all of their supplies of materials from the state. In 1989–90, the entire state sector was to "basically" shift to operation under the "new management mechanism."[58]

During the first phase of implementation in 1988, only a small number of enterprises adopted the new method of business accounting. This prompted the VCP leadership to remind state-run economic units that they would be dissolved or put under a different form of ownership if they failed to switch successfully to business accounting.[59] In 1989, the Central Committee acknowledged that the original timetable could not be met; it made 1992 rather than 1990 the year in which the bulk of the enterprises would have to shift to the full business accounting system.[60]

Meanwhile, the broader ideological and policy shift of the VCP leadership toward a variant of "market socialism" continued. At its Sixth Plenum, in March 1989, the VCP Central Committee pledged that the state would henceforth use only economic levers such as tax and fiscal policies, rather than administrative measures, to influence prices.[61] Three years earlier, the Po-

[52]All three remained as "advisers" to the Central Committee, who would participate in Political Bureau meetings "when necessary." They were given access to all party documents and were accorded extraordinary powers, such as the ability to intervene on "important questions" without being asked and to "get the authorization of the Politburo to resolve certain concrete problems." See AFP dispatch of Jan. 7, 1987, trans. in *FBIS-EAS*, Jan. 8, 1987, p. K/10. Truong Chinh died in September 1988.

[53]"Political Report of the VCP Central Committee at the Sixth Party Congress," Hanoi Domestic Service, Dec. 16, 17, 19, 1986, trans. in *JPRS-SEA*, May 7, 1987, pp. 63–65.

[54]The existence of such views was confirmed by an attack on them by Nguyen Van Linh at the Third Central Committee plenum, Aug. 24, 1987. See Hanoi Domestic Service, Aug. 31, 1987, trans. in *FBIS-EAS*, Sept. 2, 1987, p. 40.

[55]Linh, *Some Pressing Problems* . . . , pp. 23–24.

[56]*Nhan Dan*, May 3, 1989.

[57]Ibid.; Linh address to Third plenum, loc. cit., p. 39.

[58]Linh address to Third plenum, loc. cit., p. 40.

[59]"Thoroughly Understand the Resolution of the Fifth Party Central Committee Plenum," loc. cit., p. 58; editorial in *Tap Chi Cong San*, May 1988, trans. in *FBIS-EAS*, July 22, 1988, p. 58.

[60]"Overall Assessment of the Situation." Part 1 of the Resolution of the VCP Sixth Central Committee Plenum, Mar. 20–29, 1989, Hanoi Domestic Service, Apr. 26, 1989, trans. in ibid., Apr. 28, 1989, pp. 82, 87.

[61]See Part 4 of the Sixth Plenum Resolution, Mar. 20–29, 1989, "The Process of Renovating the Mechanism of Developing a Planned Commodity Economy," Hanoi Domestic Service, Apr. 27, 1989, trans. in ibid., Apr. 28, 1989, p. 86.

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Craftsmen assemble shoes in the private Hoang Anh Cooperative in Thu Duc.

—The New York Times/Barbara Crossette and Reuters/Bettmann Newsphotos.

litical Bureau majority had feared that shifting goods from artificially fixed prices to near-market prices would make prices soar. However, by 1989, when nearly all agricultural and industrial consumer goods, as well as a large proportion of industrial goods, were sold at close to market prices,[62] the SRV achieved a relative stabilization of the inflation rate, at an officially reported 34 percent, compared with about 170 percent in 1988.[63] Equally striking is the fact that the SRV, which had been forced to import rice in 1988, actually exported 1.5 million tons in 1989.[64]

In the past, private industry had been viewed with suspicion and discriminated against in access to supplies and credits. As recently as 1986, the VCP leadership had held a long debate before deciding whether or not to let private capitalists hire as many as 10 workers. But in 1988, the state issued decrees recognizing the long-term importance of private industry and guaranteeing its existence as part of a "multi-component economy." Within a year, there were some private industrial enterprises in the north employing as many as 1,000 workers.[65]

With regard to agriculture, Political Bureau Resolution 10 in April 1988 called for important changes in land allocation. Under the old contract system, cooperative land had been allocated to households in scattered fragments; allocations were now to take the form of single parcels of land, with cultivation rights fixed for a period of 15 to 19 years. Thus, the peasants were given something approaching ownership rights to the land. Moreover, instead of allocating land on the basis of the number of laborers per family, the allocation was to take into account the relative skill and efficiency of each household in crop cultivation. Those who had met quotas and taxes were to be allocated more land than those who had failed to do so.[66]

The effect of this land reform is that land is no longer truly collectivized and that agricultural cooperatives are increasingly a misnomer. In fact, the production groups, who actually exchange labor with one another, are the only collective institutions remaining. Agricultural cooperatives have been allowed to break up into production groups or "production solidarity teams"—smaller and lower collective forms in which land has always been considered as privately owned. In the northern province of Hoang Lien Son, 316 out of 776 cooperatives had already been changed to "solidarity teams" by early 1990. Initial surveys on the impact of the new agricultural policies in the province indicated that it had reduced by 90 percent the number of families receiving insufficient food.[67]

Political Reform

As part of its campaign for "renovation," the VCP has carried out limited political reforms under the general rubric of "broadening democracy." These reforms, which have been directed at expanding the political role of the legislature, mass organizations, the press, and cultural life, were in large part prompted by the belief that the party's failure to deal in a timely fashion with

[62]"Seeking to Understand the Resolution of the Sixth Plenum of the Party Central Committee," *Nhan Dan,* Apr. 20, 1989, trans. in ibid., May 17, 1989, p. 64.

[63]Socio-Economic Report by Council of Ministers Chairman Do Muoi, Dec. 18, 1989, Hanoi Domestic Service, Dec. 18, 1989, trans. in ibid., Dec. 21, 1989, p. 64.

[64]*The Washington Post,* Mar. 15, 1990.

[65]"Seeking to Understand the Resolution of the Sixth Plenum of the Party Central Committee," loc. cit., pp. 63–64.

[66]Text of VCP Political Bureau Resolution No. 10 on the "Renovation of Economic Management in Agriculture," *Nhan Dan,* Apr. 12, 1988, trans. in *FBIS-EAS,* May 6, 1988, p. 44.

[67]Vietnam News Agency (hereafter, VNA), Mar. 25, 1990, trans. in ibid., Mar. 29, 1990, p. 72.

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the deformities in its economic management system was due in large part to the bureaucratization of the political system. The reforms sought to encourage wider and more open debate and to satisfy the widespread desire for greater freedom. It was felt that if "intellectual power" were to be mobilized to solve vexing questions of economic development there would have to be freedom of thought and free debate both within the party and in the rest of society.[68]

Political reforms in the Soviet Union had some impact on Vietnamese thinking. Until the era of "*perestroyka*," VCP leaders had taken the pre-reform USSR as the model for a socialist system in terms of its economy and politics. Once the Soviets themselves concluded that the Soviet model of proletarian dictatorship had been the product of a system of "bureaucratic state socialism" based on a mistaken concept of socialism, Vietnamese leaders were able to think more critically about their own political institutions.[69]

A major objective of "democratization" was to turn the rubber-stamp National Assembly into an active legislative and representative body. In theory, the Assembly is the supreme authority in the Vietnamese state structure, but until the 1980's, its legislative function was discounted by VCP leaders. Its two annual sessions were purely formal affairs at which deputies unanimously approved measures adopted earlier by a plenum of the party Central Committee.[70]

After the Sixth Party Congress, National Assembly deputies began to question and criticize individual government ministers in public for failing to halt the skyrocketing prices of essential goods.[71] At the first session of the next National Assembly, in 1987, former National Assembly Chairman Nguyen Huu Tho made it clear that henceforth the party's leadership over the Assembly would be through persuasion on the part of party members within the body—i.e., that the party's views would no longer be imposed on the entire membership. He announced that unanimous votes would no longer be required on some substantive issues, and that secret balloting would be used for the first time, so that deputies could exercise their own judgment.[72] General Secretary Linh criticized the "formalism and bureaucratism" of previous Assemblies and insisted that elected bodies must no longer be presented with "faits accomplis" that required a "rubber stamp."[73]

Election of the chairman of the Council of Ministers (i.e., the premier), which had previously been a pro forma affair, began to take on a competitive dimension. In the 1987 election of Pham Hung to the post, some deputies for the first time supported candidates other than the winner.[74] And the following year, with the press observing the entire session for the first time, the Assembly moved closer to a real contest for the leading state position: acting Premier Vo Van Kiet (Pham Hung had died) received 168 votes to Do Muoi's 296, despite the fact that Do Muoi was clearly supported for the post by the Council of Ministers. Kiet and Nguyen Co Thach, both of whom were nominated, asked to withdraw from the election to make it unanimous, but many delegates insisted that there be at least two candidates from whom to choose.[75]

An undated photo of Do Muoi, who faced competition in his election as Prime Minister by Vietnam's National Assembly in June 1988.

—Wide World Photos.

[68]Nguyen Ngoc Long, "Contradictions Between the Economic Bases and the Political Institutions—'The Key Link' of the Current Process of Social Renovation in Our Country," *Tap Chi Cong San*, March 1989, trans. in ibid., May 12, 1989, p. 54.

[69]Nguyen Dang Quang, "What Is Socialism?" *Tap Chi Cong San*, January 1989, trans. in ibid., Apr. 21, 1989, p. 55.

[70]VNA, Dec. 30, 1989, trans. in ibid., Jan. 2, 1990, p. 70.

[71]Tran Dinh Van, "New Year's Letter," *Dai Doan Ket*, Jan. 29, 1987, trans. in *JPRS-SEA*, May 2, 1988, pp. 81–82.

[72]Nguyen Huu To, "The Eighth National Assembly: Some Problems of Renovation," *Tap Chi Cong San*, March 1987, pp. 4–6, trans in *FBIS-EAS*, May 18, 1987, pp. K/6–7.

[73]Address to the National Assembly by VCP General Secretary Nguyen Van Linh, VNA, June 17, 1987, trans. in ibid., June 17, 1987, pp. N/6–14.

[74]*Mainichi Shimbun* (Tokyo), June 21, 1987, trans. in ibid., June 23, 1987, p. 8.

[75]*Lao Dong*, June 30, 1988; *Tien Phong* (Hanoi), June 28–July 4, 1988.

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At the December 1988 session of the Assembly, the newly-accepted principle that the party would set only general orientations on policy issues and allow the Assembly to legislate without direct interference was put into operation for the first time.[76] By 1989, all group meetings as well as plenary sessions of the Assembly were being reported live on radio and television, and there were heated debates on such controversial issues as whether or not private newspapers are necessary to ensure press freedom and who may appoint or dismiss a newspaper's editor. The Assembly voted separately on each of the controversial articles in the press bill.[77] The Assembly also voted to postpone final passage of a trade union bill, recommending further consultation with the unions and revisions before its resubmission in the next session.[78]

Although the Assembly has become a forum for lively debate on issues, and occasionally divides sharply on a draft law, a close vote is more likely to indicate conflicts between the interests of the party leadership and those of the party-state bureaucracy than to reflect genuine autonomy from the government.[79] On issues that pit the power of the state against non-party interests, the number of truly independent voices in the Assembly remains small, as indicated by the 354-to-33 vote in December 1989 in favor of a provision of the press law prohibiting privately-owned newspapers.[80]

Real autonomy, which would be manifested in the Assembly's assertion of control over the legislative agenda, would require an electoral system in which candidates for the assembly are selected without the intervention of the VCP. In fact, however, the party has always "recommended" the candidates for the 100 electoral districts around the country.[81] These candidates are generally full or alternate members of the Central Committee, or government ministers (who must be elected to hold their jobs and therefore are expected to win election automatically).[82]

Although party membership is not a requirement of candidacy, the process of candidate selection has been dominated in the past by party committees at the province or city and district level. As a result, the vast majority of the candidates who are selected by party committees for inclusion on the lists submitted to the mass organizations (which supposedly "choose" the candidates) have always been party members. In the Eighth National Assembly, only about 25 percent of the deputies came from outside the party.[83] Although former Assembly Chairman Nguyen Huu Tho in 1989 called for an end to the practice of the party "recommending" candidates,[84] there is no evidence that the VCP has decided to give up its control over candidate selection and risk the election of a predominantly non-party National Assembly.

Mass Organizations

Mass organizations in the Vietnamese political system have served primarily as means to persuade various social and economic groups to carry out party lines and state policies. Each of the mass organizations—the Federation of Trade Unions, the Ho Chi Minh Youth Union, the Collective Peasants' Union, the Women's Association, and the Fatherland Front—long remained under firm party control. Party Central Committee members hold key leadership posts in these organizations, and "party groups" (*dang doan*) dominate their executive committees. In addition, they are explicitly required in their statutes to base their activities on the party's line and policies.[85]

When the "renovation" campaign began, mass organizations were criticized as bureaucratized, undemocratic institutions that had lost touch with their constituencies. A cadre of the Youth Union criticized the "remoteness" of its leadership from its members.[86] VCP General Secretary Nguyen Van Linh noted that trade unions were widely ridiculed as "the fifth wheel" in enterprises.[87]

[76]Nguyen Huu Tho, "Renovation of the Mechanism—Pressing Needs of the Renovation Process," *Tap Chi Cong San*, March 1989, trans. in *FBIS-EAS*, May 5, 1989, p. 65.

[77]VNA, Dec. 30, 1989, trans. in ibid., Jan. 2, 1990, p. 70.

[78]Hanoi Domestic Service, Dec. 29, 1989, trans. in ibid., Jan 2, 1990, p. 69.

[79]In its June 1989 session, for example, the Assembly only narrowly defeated an effort to scuttle a plan to give the local elected political organ, the people's council, a "standing committee" for the first time, thus making it potentially a competitor with the people's committee, the traditional executive power at the local level.

[80]VNA, Dec. 28, 1989, trans. in ibid., Dec. 28, 1989, p. 71.

[81]Text of interview by Kathleen Gough with Central Committee spokesman Hoang Tung, Hanoi, Jan. 11, 1982. Mimeo.

[82]In the Eighth National Assembly, elected in 1987, there were at least 74 full or alternate members of the VCP Central Committee. This figure is based on data in "Members of the Eighth National Assembly, Socialist Republic of Vietnam," *Nhan Dan*, Apr. 22–May 1, 1987, trans. in *JPRS-SEA*, July 22, 1987.

[83]This estimate includes all those whose identification did not mention party membership and who did not hold central state positions obviously requiring party membership. See ibid.

[84]Nguyen Huu Tho, "Renovation of the Mechanism . . . ," loc. cit., p. 65.

[85]Le Duc Tho, *Bao Cao Tong Ket Cong Tac Xay Dung Dang va Sua Doi Dieu Le Dang* (General Report on Party-Building Work and the Amendment of the Party Statute), Hanoi, Su That, 1977, p. 115.

[86]*Doan Ket* (Paris), January 1988, trans. in JPRS-SEA, Feb. 5, 1988, p. 34.

[87]Speech to the Sixth Congress of the Vietnamese Trade Unions, Hanoi Domestic Service, Oct. 17 and 18, 1988, trans. in *FBIS-EAS*, Oct. 20, 1988, p. 65. It has been admitted that trade union leaders have not been truly independent of the management of production units but have usually followed the orders of the director and even become part of corrupt networks of factory management. See *Saigon Giai Phong*, Oct. 8, 1986; Khanh Van, "Social Fairness," *Quan Doi Nhan Dan*, Jan. 10, 1987, trans. in *JPRS-SEA*, Apr. 27, 1987, p. 98.

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The VCP has been searching for ways to reform the structures and roles of mass organizations and their relationships with the party and the state without losing control over them. Party officials have suggested that the youth union needs to "organize independent bases capable of carrying out activities on their own initiatives."[88] Noting that the Federation of Trade Unions was originally set up on a "wartime configuration" as a highly centralized "command system," a party official proposed in August 1988 that the system be reorganized along occupational union lines, with a "central council" whose members would be elected by the occupational unions themselves rather than at a central congress.[89] The official organ of the federation, *Lao Dong,* called for the elimination of "an incorrect notion of one-way unity between the federation and the state," i.e., complete subordination of the labor union organization to the state.[90] And writers in that newspaper challenged the traditional notion that the role of trade unions is to be a "school of socialism," arguing that their role should be to defend the interests of their members, because the state is inevitably bureaucratic.[91] The law on trade unions passed in 1989 declares both roles legitimate, but does not specify which is the priority role.[92] However, there has been no move to restructure the federation to give it greater independence.

So far, the most concrete result of the criticism of "formalism" in mass organizations has been the transformation in 1988 of the former Collective Peasants' Union into a "National Peasants' Union" (NPU), open to all farmers, whether members of cooperatives or not. At least one cadre of the NPU claimed that its purpose was to "protect poor peasants from exploitation by local cadres."[93] At the organization's first congress, held in March 1988, delegates argued that peasants should be guaranteed at least 40 to 50 percent of their crop, and that the cooperative management apparatus should be reduced by at least half. Delegates further complained about the prices paid by state commercial enterprises and the failure of the latter to make payments promptly.[94] But party chief Linh made it clear in his speech to the congress that the organization would not be allowed to make demands that would conflict with the overall national interest in keeping down food prices.[95]

A contradiction between the two principles put forward by the Sixth VCP Congress confounds the problem of reforming the structure and operations of mass organizations. On one hand, party committees are supposed to "respect the organizational independence of mass organizations"; on the other hand, they "must assume close leadership over mass organizations" by setting objectives and assigning cadres.[96] The conflict between these two principles seems likely to be resolved in the end in favor of party control.

The Media and Cultural Realms

Before the mid-1980's, newspapers were used by party leaders and bureaucrats to make themselves look good. However, in the run-up to the Sixth VCP Congress, as part of the "renovation" process, there were calls to end such blatant propaganda and to allow a more critical press, with more expression of contrasting views. The press was now conceived as "the voice of the party" which also "reflects the voice of the people."[97] Journalists were encouraged for the first time to investigate cases of wrong-doing by prominent state and party cadres, to reveal the oppression visited on the public by the state apparatus, and to expose the unvarnished social and economic realities of Vietnamese life. Newspapers began publishing in-depth investigative stories and critical analyses; interviewers even peppered party officials with embarrassing queries regarding questionable practices in their localities. And there were lively debates on major political issues in many newspapers (though not in the stolid pages of the party daily, *Nhan Dan*).

The independence of the press, nevertheless, continued to be circumscribed by high-level political interference. Prior to 1988, journalists could not publish a specific story without first getting the approval of the Secretariat of the Central Committee (CC) and of the Press Division of the CC's Propaganda and Training Department.[98] Journalists who with apparent impunity had been investigating and publishing stories about

[88]Nguyen Van Tung, "From the Speech of Secretary General Nguyen Van Linh," *Thanh Nien* (Hanoi), February 1988, trans. in ibid., June 20, 1988, p. 39.

[89]Comments by Dinh Van Khai on "Draft Report to the Sixth Trade Union Congress," Hanoi Domestic Service, Aug. 15, 1988, trans. in *FBIS-EAS,* Aug. 16, 1988, p. 52.

[90]"Renovate Thinking in Labor Union Work," *Lao Dong,* Mar. 31, 1988.

[91]See "Debate on the Role of Trade Unions," ibid., June 16, 1989.

[92]For the draft law on trade unions, see *Nhan Dan,* Sept. 8, 1989.

[93]David Wurfel, "*Perestroika* Vietnamese Style: Problems and Prospects," *Vietnam: Facing the 1990's,* University of Toronto-York University Joint Centre for Asia-Pacific Studies, Asia Papers, No. 1, p. 38.

[94]*Nhan Dan,* Apr. 4, 1988.

[95]Address by Nguyen Van Linh, Mar. 28, 1988, trans. in *FBIS-EAS,* Mar. 30, 1988, p. 59.

[96]Political Report of the VCP Central Committee to the 6th National Congress, loc. cit., p. 87.

[97]Editorial in *Tap Chi Cong San,* October 1986, pp. 1–5.

[98]John Spragens, "Vietnam Grapples with Dissent," *News Journal* (Daytona Beach, FL), Jan. 14, 1989.

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corruption on the part of Ha Trong Hoa, the VCP secretary of Thanh Hoa province, were ordered to stop publishing such articles once it was decided to elevate Hoa from candidate member to full member of the Central Committee.[99] However, when Hoa continued to abuse his power, newspapers were permitted to publish reports of corrupt practices of the province committee, signaling that the party leadership's patience had been stretched too far.[100]

The new relative freedom of the press, including the ending of prior consultation with party censors in 1988, encouraged some journalists to call for the removal of the remaining party constraints on their freedom to report and comment. At a debate organized by the VCP Secretariat, the chairman of the Vietnamese Journalists' Association complained about interference by party leaders in the coverage of individual cases of abuse of power. And the VPA general who is the editor of the Army daily *Quan Doi Nhan Dan* expressed regret that the press was allowed only to debate "the means of applying policies" instead of the correctness of the policies themselves.[101]

Paralleling the enlargement of the sphere of press freedom was the emergence of greater freedom for writers and artists to reflect in their works current economic and political realities, as well as their own personal visions.[102] Writers are increasingly choosing themes based on their own lives rather than on the party line and writing in styles far removed from the "socialist realism" that had been in official favor. For example, the most popular plays in the latter half of the 1980's portrayed war heroes returning to spiritual emptiness and alienation. They also depicted party officials as petty, narrow-minded, and arrogant. For the first time, plays in Hanoi played to packed houses.[103]

Many of the restrictions on literary publishing have also been dropped. Popular literary works by anti-Communist authors of the prerevolutionary period—such as Nhat Linh and Khai Hung—that had been banned previously were now allowed to be published or performed.[104] And writers and artists became more vocal in demanding freedom. At a meeting with Nguyen Van Linh in October 1987, they complained that party leadership over culture had been "undemocratic, despotic, and overbearing" and called for an "untying" of culture from party control. Linh accepted the legitimacy of their complaints and pledged to take "remedial action and institute legal documents."[105] The Political Bureau resolution on cultural policy issued a few weeks later put new emphasis on freedom for writers and artists and pledged that with the exception of those works that were "anti-people, anti-socialist, or anti-peace," literary works "have the right to be freely circulated and placed under the assessment and judgment of public opinion and criticism."[106]

Vietnamese society has been undergoing a process of "creeping pluralism" in other ways as well. In 1989, the SRV's first private university, Thang Long University, was permitted to open in Hanoi. Several state-run universities in the South were permitted to elect their own rectors rather than having them imposed by the state as in the past. There were also plans to open other private schools for medicine and social work in Ho Chi Minh City. And in May 1989, as Chinese youth occupied Beijing's Tiananmen Square, university students in Hanoi organized "teach-ins" to air complaints about their curriculum as well as their living conditions. The government responded rapidly with an increase in food allowances for students.[107]

Meanwhile, although publishing any book or periodical without specific government license was still illegal, the new atmosphere of relatively free debate emboldened many individuals and groups to do so. In 1988, an investigation by the Interior Ministry found that of the more than 400 newspapers being circulated, only half were licensed, and that nearly 40 percent of 162 books printed in 1987 were "illegal."[108]

Although, as we shall see below, SRV politics are not yet pluralistic in the sense that political groups can free-

[99]AFP Dispatch, June 21, 1988, trans. in *FBIS-EAS*, June 21, 1988, p. 63. Some newspapers were actually closed down temporarily by authorities after publishing stories about the Hoa affair. See *Doan Ket*, June 1988, p. 9.

[100]Thai Duy, "An Abcess Has Been Lanced," *Dai Doan Ket*, Apr. 2, 1988, trans. in *JPRS-SEA*, June 7, 1988, pp. 26–28.

[101]AFP dispatch, June 21, 1988, trans. in *FBIS-EAS*, June 21, 1988, pp. 63–64. Meanwhile, newspaper circulation was down sharply in 1988, prompting one writer to suggest that the government may have ordered cutbacks to retaliate for exposés of corruption in high places. See *Doc Lap*, May 25, 1988.

[102]One writer said the situation of "so many obstacles and constraints" on artists imposed by "narrow" party officials presiding over the arts had changed "in the past year or two." See Nguyen Minh Chieu, "An Artist's True Feelings," *Nhan Dan*, Dec. 6, 1987.

[103]For an insightful summary and analysis of recent plays by Hanoi playwrights, see David Hunt, "Hanoi Renaissance," *Indochina Newsletter* (Cambridge, MA), May-June 1989.

[104]*The Washington Post*, July 28, 1988; and To Hoai, "Salient Features of Contemporary Literature," *Tap Chi Cong San*, April 1989, trans. in *FBIS-EAS*, June 8, 1989, p. 70.

[105]"Summary" of Nguyen Van Linh's address to the meeting of Oct. 6–7. 1987, Hanoi Domestic Service, Oct. 13, 1987, trans. in ibid., Oct. 15, 1987, p. 47.

[106]For the full text of Political Bureau Resolution No. 5, see *Nhan Dan*, Dec. 5, 1987.

[107]*Far Eastern Economic Review* (Hong Kong), July 20, 1989, p. 36.

[108]Mai Chi Tho, "Some Urgent Problems on Maintaining Security and Order and Building the People's Police," *Tap Chi Cong San*, December 1988, trans. in *FBIS-EAS*, Feb. 10, 1989, p. 57.

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General Tran Van Tra, leader of the Vietnam Veterans' Association, at the April 30, 1990, celebration in Saigon marking the 15th anniversary of the capture of the former capital of South Vietnam.

—Nayan Chanda.

ly organize, the germ of at least one independent political organization has emerged in the form of the "Club of Former Resistance Fighters," an association of former officers of the revolutionary army, all of whom are party members. It first organized in Ho Chi Minh City in 1983 and later set up branches in surrounding provinces. Led by Gen. Tran Van Tra, a zone commander in the South throughout the resistance wars against both France and the United States and the military governor of Saigon immediately after conclusion of the latter, the organization began requesting official recognition in 1985, but was ignored by the government.[109]

In 1988, the club sent a letter to the Central Committee and the National Assembly urging that a genuinely democratic election—free from pressure from party leaders—be held for premier. The club's leaders hoped to help Southern reformist Vo Van Kiet defeat the party leadership's choice, Do Muoi. They implicitly accused Muoi of having committed "serious errors which have had long-term disastrous consequences"—a reference to his role in the harsh campaign for the socialist transformation of trade in the South after 1978. In 1988, the club did not call for pluralism, since it regarded itself as a "pressure group" within the VCP. It did, however, attack the party for failing to practice openness and for various socio-economic policies.[110] In March 1990, the government finally gave the organization official recognition as the Vietnam Veterans' Association.

The Struggle over Pluralism

The process of "broadening of democracy" was never intended by the VCP leadership to lead to genuine pluralism or multiparty democracy, as envisioned by some Communists in Poland and Hungary. The thinking of the Vietnamese Party is clearly more in line with that of the Chinese Communist Party leadership than with the pluralist tendencies in Eastern Europe. The combination of new domestic demands for freedom from party interference and even for freedom for other parties to operate, in the context of disturbing ideological influences coming from Eastern Europe, has brought strong warnings from the VCP leadership and a tightening of control over publishing.

Despite their decision in 1986 to broaden freedom of opinion and encourage more public debate, most Political Bureau members have a deep fear of the public's becoming too assertive and slipping outside the party's control. They still tend to regard even criticism of the policies and performance of the party leadership as illegitimate. In a revealing document issued in late 1988, the Political Bureau warned against anyone "taking advantage of democracy and openness to distort the truth, to negate revolutionary gains, and to attack the party leadership and state management out of untoward personal motives."[111]

In early 1989, a leading party official complained about "some people" who had demanded "absolute democracy and openness as well as press independence from the party committee and other leading echelons." Such "extreme democracy," he charged, would "allow the movement to develop in a chaotic and anarchic situation" and play into the hands of those who opposed the reforms already brought about.[112]

[109]Interview with a foreign visitor to Vietnam, conducted in Washington, DC, in April 1988.

[110]Murray Heibert, "Against the Tide," *Far Eastern Economic Review*, Sept. 14, 1989, p. 30; and Nayan Chanda, "Force for Change," ibid., Oct. 5, 1989, pp. 25–26.

[111]Political Bureau "Conclusions on Ideological Work" reached at a "recent" meeting, Hanoi Domestic Service, Dec. 8, 1989, trans. in *FBIS-EAS*, Dec. 9, 1989, p. 63.

[112]Tran Trong Tan, "How to Clearly Understand the VCP Central Committee Political Bureau's Conclusion on Ideological Work," *Nhan Dan*, Jan. 23, 1989, trans. in ibid., Mar. 1, 1989, p. 72.

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As demands for more freedom were linked with the issue of "pluralism"—i.e., the end of the VCP's political monopoly—the party leadership responded by putting the concept of pluralism beyond the bounds of acceptable discourse. In a talk to journalists in early 1989, Linh indicated that some "national bourgeoisie, intellectuals, and petty bourgeoisie" had voiced a desire for "pluralism," and he expressed the fear that they might propose a "multiparty system, the existence of opposition parties within the socialist system, and so forth."[113]

By late 1989, demands for even greater press freedom so disturbed the party leaders that they pulled back from the limited openness embraced at the Sixth VCP Congress. At a Congress of the Vietnamese Journalists' Association in October, Premier Do Muoi significantly amended the concept, first presented at the Sixth VCP Congress, that the press should be a "forum of the people" as well as a tool of the party. He noted that "people are not a homogeneous group," and that "bad elements" had to be prevented from using the press to "create trouble and disturb internal security . . . ." Party organs would not control the press by ordering journalists to write specific articles, he said, but they would hold regular meetings with journalists to notify them of the party's "policies and guidelines for each specific period."[114]

Predictably, the draft press law submitted to the National Assembly in December 1989 rejected the possibility of privately-owned newspapers. Backers of the draft law argued that the state should be trying to broaden state and collective ownership, not private ownership; that, with 265 newspapers and radio stations, there already were enough news media; and that the press is not the only forum for working people. The law reflected a renewed emphasis on centralized party-state control over the press, defining "state management" of the press to include "guiding and controlling the implementation of press orientations and tasks . . . ."[115]

At the Sixth VCP Central Committee Plenum in March 1989, Linh attacked what he called "a small number of ill-intentioned people" who had argued that the leadership of the party was an obstacle to democratization. Although these people were not identified, it seems evident that Linh was referring to members of the Central Committee itself. The Secretary General advocated "broadening democracy and reaching a consensus through debate," but added that "we do not tolerate pluralism."[116]

But "pluralism" as a topic of debate would not go away. Taking their cues from Soviet documents that referred to "socialist pluralism," some in the party argued that pluralism could refer to the coexistence of several economic sectors and interests, to a diversity of socialist models, to a system in which parties other than the communist party exist but accept the latter's leading role, or even to a system with more than one communist party.[117] Implicit in their arguments was the notion that pluralism was compatible with the interests of socialism.

The search for an acceptable concept of pluralism on the part of some VCP members reflected a growing dissatisfaction with the party's monopoly of political power. Some party members argued that the "negativism, disorder, and sluggishness" that was admittedly occurring in socialist countries could be explained by the fact that the ruling parties of these countries permitted no real political competition.[118] Others pointed to the fact that Vietnam was now committed to the long-term existence of a multisectoral economy and should therefore allow pluralism in political parties and ideology as well.[119]

These arguments were not well received by the VCP leadership. A leading member of the Central Committee characterized all proposals for a socialist "loyal opposition" as "schemes to lessen or neutralize the party leadership, thus creating political counterbalances in society against the party." The party's preference was to deal with such proposals either by arguing that they would lead ultimately to "turmoil and anarchy" or by linking such notions to putative efforts by imperialists to undermine socialism in the world.[120] When the Polish and Hungarian parties gave up their control over their respective governments to non-Communists, VCP

[113]Alan Dawson, "Vietnam Cuts Short Political Openness," *Bangkok Post*, May 16, 1989.

[114]Hanoi Domestic Service, Oct. 16, 1989, trans. in *FBIS-EAS*, Oct. 18, 1989, pp. 53–60. Another commentary published at the same time argued that the press "must reflect the unanimity between the party and the masses . . ." and should not become an "independent" voice. See *Quan Doi Nhan Dan*, Oct. 4, 1989.

[115]VNA, Dec. 28, 1989, trans. in *FBIS-EAS*, Dec. 28, 1989, p. 71.

[116]Speech by Nguyen Van Linh at the closing session of the VCP's Sixth Central Committee Plenum, Mar. 20–29, 1989, Hanoi Domestic Service, Mar. 31, 1989, trans. in ibid., Mar. 31, 1989, p. 70.

[117]Tran Trong Tan, "Why We Do Not Accept Pluralism," Hanoi Domestic Service, May 31, 1989, trans. in ibid., June 6, 1989, p. 69. While the party clearly wished to discredit the concept of "pluralism" in any form, it had to concede that Soviet thinkers had approved inclusion within the concept of "socialist pluralism" of the existence of both different political organizations and different viewpoints—even those that differ from the party's official viewpoints—provided that they do not oppose socialism. It was also conceded that Hungary had accepted a multiparty system in which the leading role of the communist party no longer had to be accepted, while Poland had even accepted the right of opposition parties not to accept socialism. See Ha Xuan Truong, "Plurality and Pluralism," *Tap Chi Cong San*, July 1989, trans. in ibid., Sept. 12, 1989, pp. 69–70.

[118]Tran Trong Tan, "Why We Do Not Accept Pluralism," loc. cit., p. 69.

[119]Nguyen Van Linh attacked this argument in a speech of Sept. 1, 1989, carried by VNA, Sept. 2, 1989, trans. in *FBIS-EAS*, Sept. 6, 1989, p. 68.

[120]Ibid., pp. 69–70.

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leaders made it clear that they believed that pluralist ideas had played into the hands of imperialist schemes seeking to undermine socialist regimes and restore capitalism.[121]

To the pro-pluralism argument that posited that since a multi-sectoral economy existed, so should a multiparty political system, Secretary General Linh replied that the state sector still played the dominant role in the Vietnamese economy and that all sectors are in the process of being "transformed by the state in the direction of socialism."[122] As the rest of the ruling communist parties gave up their monopoly of power in Eastern Europe in the autumn of 1989, the VCP party newspaper took an even broader theoretical approach to the problem: the existence of multiple parties in capitalist systems reflects the conflicts of interest among factions of the bourgeoisie as well as between capital and labor, while in a socialist society, there are no fundamental conflicting interests. But the party's main argument remained the same: that there was no need for a multiparty system in a socialist society, because a single party can still be "truly democratic."[123]

The VCP leadership failed to silence calls for a multiparty system, however. In early 1990, the first evidence of support for a multiparty system within the VCP Central Committee itself surfaced, when Linh publicly attacked "opportunists" in the body for advocating the concept.[124] The sudden emergence in late 1989 of Political Bureau member Tran Xuan Bach—who was formerly known as one of the body's more conservative members—as an advocate of bolder steps toward democratization suggests that he saw a significant constituency within the party for political pluralism. Bach's ouster from the leadership at the Eighth Plenum, in March 1990, for violations of "organizational principles and discipline" is likely to be only a temporary setback for the growing movement in the party for pluralism.[125] Party members who have hesitated to voice their doubts about the party's monopoly of power in the past were certainly encouraged by the acceptance by Mikhail Gorbachev and the CPSU of the principle of a multiparty system in February 1990.

Clearly, there are supporters and opponents of liberalization of the economy and political system in both regions of Vietnam, but dramatic differences in attitude toward democratization have emerged in recent years between Northerners and Southerners in the VCP, in the National Assembly, and in non-state institutions. In general, Southerners have tended to favor the relaxation of restraints by the party on private citizens and more decentralization of power. It was pressure from Southerners in the party leadership that led to the major shifts toward liberalization of the economy, and it was primarily Southerners, especially those from Ho Chi Minh City, in the National Assembly who pushed for real competition in the election of Vietnam's premier and who voted in favor of allowing privately published newspapers. Also, city and provincial officials in the South have been slow to implement central state directives prohibiting them from authorizing publications.[126] And, as we have seen, the first "pressure group" to emerge in SRV politics, the Vietnam Veterans' Association, has distinctly Southern roots.

The political differences between the Mekong Delta region (formerly known as Cochinchina) and the Central and Northern regions obviously reflect the greater entepreneurial, cosmopolitan character of the South—resulting from the concentration of a large Chinese merchant class in Saigon and the explosion of private enterprise in the period of US involvement in the Vietnam War. They also reflect different political experiences. French colonial regulations permitted political parties and elections in the South (even though the electorate was narrow), as well as greater freedom of speech and press. In contrast, no political participation was allowed during the colonial period in the North and Center. Moreover, the South experienced a period of political semi-pluralism, with competing parties and a relatively free press, during the Vietnam War.

Finally, the widespread criticism of the authoritarianism of the Hanoi government by Southerners both within and outside the party stems in part from their strong feelings about the way the leadership in the North pushed through rapid reunification without consulting with Southerners, who were more familiar with the situation in the South.[127] Northerners ignored the advice of party officials and economic specialists in the South,

[121]Ibid; and Major General Tran Xuan Truong, "Revolutionary Violence and New Background of the Class Struggle," Hanoi Domestic Service, Sept. 25, 1989, trans. in ibid., Sept. 27, 1989, p.70.

[122]Speech by Nguyen Van Linh, Sept. 1, 1989, loc. cit., p. 68.

[123]*Nhan Dan*, Nov. 16, 1989.

[124]"NHK News" Report, NHK General Television Network in Japanese, Feb. 7, trans. in *FBIS-EAS*, Feb. 7, 1990, p. 70.

[125]Bach's speech last December, reflecting his move to the fore within the VCP leadership as an advocate of political liberalization was carried by Hanoi Domestic Service, Jan. 5, 1990, trans. in ibid., Jan. 8, 1990, pp. 67–68.

[126]Hanoi Domestic Service, Sept. 17, 1989, trans. in ibid., Sept. 19, 1989, p. 60.

[127]See the report on a letter from former North Vietnamese Ambassador to the Soviet Union Nguyen Van Tran to the editor of *Truyen Thong Khang Chien*, the organ of the Former Resistance Fighters' Club, lamenting that the reunification of the country was not subject to widespread discussion. *Que Me* (Paris), November 1989, pp. 9–10.

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who argued against forcefully collectivizing agriculture and eliminating capitalist trade and industry, policies that made a shambles of the economy in the South.

Conclusion

The Vietnamese party and state have evolved as a result of leadership changes and the cumulative impact of experience. The former heavily centralized state economic management is giving way to the acceptance of the private sector, competition, and objective economic laws. If the inflation rate continues to stabilize and the VCP leadership continues its dismantling of the old system of subsidies, fixed prices, and bureaucratic controls, the SRV will have eliminated the biggest obstacle to liberating its productive capabilities. It has already gone further toward economic liberalization than seemed possible only a few years ago. Following a visit in July 1989, a team of the International Monetary Fund praised the SRV for dismantling domestic monopolies and linking domestic prices with world prices, thus ceasing to shield local producers from international competition.[128]

Many observers of communist reforms have expressed doubt that economic liberalization can be carried out successfully by a party/state bureaucracy whose interests lie in maintaining maximum control over society and whose leading officials are not accountable to the public through free, competitive elections, i.e., it is widely believed that economic liberalization is unworkable without political liberalization. While there is no assurance that the process will not still be halted or reversed by a party leadership that begins to fear its loss of control, the VCP Political Bureau appears to have concluded that the dismantling of the Stalinist system of economic management is the only way it can avoid growing political unrest. As the process of reform continues—and especially if it produces widespread improvement in standards of living, as it appears to have done thus far—it will become increasingly difficult for party leaders to reverse it without triggering even greater public opposition.

It may be accurate to say that economic and limited political liberalization inevitably stimulate demands for greater freedom and political participation. The SRV faces the prospect of increased domestic discord in the near future over that issue. As VCP Political Bureau member Tran Xuan Bach warned in a December 1989 speech, "there is still unrest among the people," because of demands for "more democracy and more social justice . . . ."[129] The unrest is the result partly of the opening-up of debate, which brought to the surface the antagonism of intellectuals, students, journalists, and others toward pervasive party control over every aspect of intellectual and political life; partly of the "creeping pluralism" of Vietnamese society; and partly of the impact of the events in Eastern Europe and the Soviet Union on the VCP.

In the short run, the Vietnamese Communist leadership is firmly committed to a political system under tight one-party control and will try to manage and deflect pressures for a multiparty system. Over the course of the 1990's, however, the cumulative impact of the opening up of the political system in the Soviet Union, the opening of the Vietnamese economy to foreign capital, and the continued development of a pluralistic society and an ideologically pluralistic communist party is likely to create irresistible pressures on the VCP to allow genuine political competition.

[128]Susumu Awanohara, "Fiscal Interdiction," *Far Eastern Economic Review*, Sept. 28, 1989, p. 22.
[129]Murray Heibert, "Survival Tactics," ibid., Feb. 1, 1990, p. 24.

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Books

The Roots of Eastern Europe's Revolution

Zvi Gitelman

JOSEPH A. ROTHSCHILD. *Return to Diversity: A Political History of East Central Europe Since World War II*. New York, Oxford University Press, 1989.

RONALD A. LINDEN. *Communist States and International Change: Romania and Yugoslavia in Comparative Perspective*. Boston, Allen & Unwin, 1987.

JUDY BATT. *Economic Reform and Political Change in Eastern Europe: A Comparison of the Czechoslovak and Hungarian Experience*. New York, St. Martin's, 1988.

EASTERN EUROPE was ripe for massive political and economic change many years before the upheavals of 1989. After the late 1940's, Eastern Europe's Marxist-Leninist regimes had lost whatever political legitimacy they might have enjoyed at the outset of their existence. They were artificially propped up by a combination of their own use of coercion and the implied threat of Soviet intervention against departures both from Leninist political arrangements and from active alliance with the Soviet Union in the political, military, and economic spheres.

By 1989, coercion had proved to be ineffective either in alleviating economic problems or in halting massive expressions of political discontent. Moreover, Mikhail Gorbachev removed the threat of Soviet intervention by repeated and increasingly explicit statements to the effect that the USSR would not interfere in East European internal affairs. As he said in October 1989 in Finland, a symbol of East European aspirations to autonomy, "We have no right, moral or political right, to interfere in events happening there."[1] Such statements were given credence by the general posture of Soviet foreign policy, which moved to reduce both commitments abroad and the chances of military confrontation with the West. Crude interference with developments in Eastern Europe, it was realized by policy-makers in Moscow, would likely halt the very impressive strides Gorbachev had made in winning the confidence of the West, which in turn facilitated the conclusion of arms-control agreements and created the possibility for substantial Western assistance to the troubled Soviet economy.

The works under review were, of course, written before the revolutions of 1989 in Eastern Europe. Joseph Rothschild's book is a political history of Eastern Europe since World War II. By contrast, Ronald A. Linden's and Judy Batt's works use comparative approaches to treat more narrowly focused issues in selected East European countries. Although none of these works predicted the imminent end of communism in Eastern Europe, their different historical, political, and economic perspectives elucidate many of the contradictions, dilemmas, and problems that underscored the fragility of Marxism-Leninism in Eastern Europe and that ultimately led to the demise of communism in the region.

THE FRAGILITY of the East European communist regimes derived from several related sources. Primary among them was the failure of most of these regimes to establish or retain political authority, that is, to win the acknowledgment of the populations that the regimes had a right to rule. In Poland, Hungary, Romania, and the German Democratic Republic, the regimes had never enjoyed legitimacy and ruled

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[1] *The New York Times*, Oct. 26, 1989.

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largely through power, not authority. In Bulgaria, Czechoslovakia, and Yugoslavia, they had started out in the late 1940's with some degree of legitimacy—a very high one in Yugoslavia—but repressive policies, economic failures, and unresolved ethnic tensions eroded legitimacy in these countries.

In Romania, Gheorghe Gheorgiu-Dej and his successor, Nicolae Ceauşescu, tried to make nationalism the true basis of authority, but economic privation and Ceauşescu's megalomania wiped out the gains of the decade following 1965. To some extent, Romania's economic difficulties resulted from international developments, such as the oil crisis and the fall of the Shah of Iran, but to a greater extent they were the product of domestic policy failures. The suffering of Romanian consumers had been so extensive and prolonged that no amount of nationalist posturing, which declined in recent years in any case, nor ersatz leadership charisma, could make up for it. If an opposition movement did not arise in Romania, it was not because the Ceauşescu regime had won legitimacy, but because it exercised coercion effectively and, for various reasons, its population was less susceptible to infection by democratic values from the other East European countries.

Soviet intervention in 1968 cut short a very different attempt at establishing authority in Czechoslovakia, where reformers were trying to evolve a post-Stalinist and even de-Leninized version of socialism suitable to an advanced industrial country with democratic traditions. Once Leonid Brezhnev and his associates, including East European leaders such as Walter Ulbricht and Władysław Gomułka, fathomed how truly revisionist the ideas of the Prague Spring were, they moved to end it, thus, as it turns out, postponing by 20 years the search for an economically viable and politically acceptable system that could still claim to be socialist. Gorbachev has derived some of his reform program from the Prague Spring without acknowledging the source.

A third strategy for gaining legitimacy was consumerism. In Poland and Hungary, communist parties labored under the triple burden of being identified with Russia (an historic enemy), atheism, and Jewry. Consumerism, funded by foreign borrowing in Poland, and spurred by economic reforms in Hungary, was designed to reconcile recalcitrant populations to systems, not just regimes, that were unpopular. Edward Gierek's consumerist strategy in Poland was undermined by developments in the world economy following the oil crisis of the early 1970's, and Hungarian reform ran into some of the same difficulties later in the decade. Thus, international forces obstructed Polish and Hungarian attempts to establish legitimacy, just as a very different set of international forces had done to Czechoslovakia's attempt.

The political failures of the East European systems were compounded by their economic failures. The Polish catastrophe, the worst case, frightened Romania and Hungary into two diametrically opposed prophylactic measures. The Romanian government drastically reduced its population's living standard in order to liquidate its foreign debt and so preserve its independence from foreign economic and political pressure. By contrast, in the early to mid-1980's, Hungary tried to satisfy consumer desires, at the expense of rolling up the highest per capita debt in the region. Each response had its high costs. Ironically, the GDR, said to have the highest standard of living of any socialist country, found that this did not impress its population at all because the East Germans' point of reference was not Poland, Romania, or even Czechoslovakia, but the prosperous, consumerist Federal Republic of Germany, whose glitter beckoned on East German television sets every evening.

The GDR was most exposed to the allures of Western consumerism. But other East Europeans were also increasingly aware of the gap between their standards of living and that of their Western neighbors as a result of the diffusion of videos and personal computers and of increased tourism in both directions.

Finally, the failure of the socialist systems is also attributable to the exhaustion of ideology. Earlier generations, or parts of them, could be persuaded that they needed to sacrifice for the future, that, in any case, Western consumerism was shallow and decadent, and that there were more noble and satisfying pursuits than that of the almighty (or not so mighty, but useful) forint, koruna, etc. Over time, the threat of "capitalist encirclement" or even "German revanchism" also became less credible as rationalizations for sacrifice and suffering. But there was no indication that the prosperous future would ever arrive, and the corruption and high living of some of the elites made preachments against consumerism sound hollow indeed. While some envied the elite, others held them in contempt as hypocrites. For better or worse, most East Europeans have joined the clamor for consumerism.

MANY WESTERN observers had long assumed that permanent change in Eastern Europe could come about either if the Soviet Union transformed itself or in the unlikely event that the USSR would acquiesce to the "Finlandization" of the region. As it turns out, both have happened simultaneously: the Soviet system is changing and its

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leadership is tolerating the loss of political hegemony of the East European communist parties.

In Bulgaria, Czechoslovakia, and the GDR, authoritarian elites probably could have held out longer than their Polish and Hungarian counterparts, but they succumbed to pressure from two directions. Their own masses were galvanized by events in other socialist countries, or, in the GDR, by Hungary's opening of its border with Austria, thereby providing an exit route to hundreds of thousands of East Germans stymied by the Berlin Wall and the other barriers to emigration.

The other pressure came from the Soviet Union itself. In the fall of 1989, Gorbachev began to nudge the anti-reformist regimes to fall in step with the Soviet Union, Poland, and Hungary.[2] What pushed him into a more activist stance may have been the events in the GDR. Perhaps reassured by the fact that domestic transformations in Poland (where Gorbachev had pressured Prime Minister Mieczysław Rakowski in June 1989 to accept a coalition government) and Hungary (where the initiative for reform came from elements within the Hungarian party leadership itself) were not accompanied by a turn to an anti-Soviet foreign policy stance, Gorbachev then pressured Erich Honecker to resign when he realized that the German leader was too rigid and too out of touch with younger generations to make the changes necessary to preserve the regime or even the system.

Making his peace with the possibility of the GDR going reformist was perhaps Gorbachev's major concession, in light of that country's economic and military importance to the socialist camp. Once the decision was made to allow the East Germans to go their own way, it was much easier to signal that change in Bulgaria, beginning with Todor Zhivkov's resignation, would be tolerated and even welcomed. Gorbachev may have done the same in Czechoslovakia. The advantage of having the whole camp move to reform is that Gorbachev can, in effect, say to his domestic opponents that fundamental reform is now the wave of the future. He has also deprived Soviet conservatives of allies in the East European leaderships. The "domino effect," then, has worked in two ways: East European populations have learned from each other's example, and once Gorbachev saw a few dominos falling he may have decided to help push over the rest. So Moscow has moved from the Brezhnev Doctrine, which asserted the right and duty of interference in a country where socialism was "endangered," to a policy of keeping hands off East European affairs, to prodding the East European leaders—but not dictating to them.

Perhaps the changes in Eastern Europe were deeper than Gorbachev and his reformist allies in the East European parties originally intended. In late 1989, the altered leaderships of the GDR, Bulgaria, and Czechoslovakia each tried to follow a middle course, sacrificing personnel and making some concessions to popular sovereignty, in what looked like attempts to maintain communist party hegemony somewhere between outright party monopoly on the one hand and genuine political pluralism on the other. Only in Bulgaria has this approach met with some success. By contrast, in the GDR and Czechoslovakia, as well as in Poland and Hungary, concessions to the popular will took on a dynamic of their own that eventually resulted in the peaceful removal of communist parties from power. In Romania, a violent revolution led to the ouster of the communist regime. In all these countries, with the partial exceptions of Romania and Bulgaria, communist parties or their heirs seem doomed to play only a marginal political role for many years to come.

OBVIOUSLY, events in Eastern Europe are grist for the mill of Gorbachev's political enemies at home who can easily pin on him the label of "the man who lost Eastern Europe." Why, then, has Gorbachev permitted, even encouraged, the political pluralism emerging in the region? After all, this pluralism is at least implicitly a challenge to the Soviet system itself and certainly to its relevance to other countries. Although it is too early to ascertain Gorbachev's thinking on this issue, several reasons for the Soviet shift might be suggested. First, Gorbachev has recognized that the USSR is in the midst of a profound political and economic crisis that commands all domestic resources and must draw upon foreign ones as well. The character of East European regimes, just so long as they are not arrayed against the USSR, must of necessity be of less concern. Moreover, even political, let alone military, intervention in Eastern Europe would have undercut and probably destroyed his efforts to divert Soviet resources away from the military to domestic needs—and to gain Western assistance in doing so. A more Machiavellian interpretation is that, realizing the depth of Eastern Europe's economic problems (perhaps by extrapolating from his own), Gorbachev calculated that if the region could become politically attractive to the West, the West—not the Soviet Union—might be stuck with the task of bailing it out on the grounds that "we cannot

[2]Ironically, until 1989, Gorbachev did not do what Stalin's successors had done in 1953–54, that is, force the East Europeans to liberalize along the lines of a new Soviet pattern.

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let democratic experiments fail."

Perhaps Gorbachev has reached a more profound conclusion. He may understand that viable economies and legitimate polities cannot be attained by the old formulas. In light of the new Soviet relationship with the West, it was therefore better for the USSR to be neighbor with a group of "Finlands"—stable, legitimate, prosperous countries—than with reluctant and unreliable "allies" who were chronically ill economically, unstable politically, and unreliable militarily. Such "friends" ultimately weaken, not strengthen, a USSR that finds itself in economic trouble and torn apart by ethnic and other tensions. Difficult as it may be emotionally, psychologically, and politically, perhaps the best thing the USSR could have done, faced with forces it could not afford to try to control, was to cut the best deals it could with countries that wished to distance themselves from the socialist motherland. If this was, indeed, Gorbachev's reasoning, it represented a revolutionary change in Soviet assumptions as well as a courageous, calculated political risk.

IT IS fashionable in some academic circles today to assert wryly that Western analysts did not foresee any of the developments in Eastern Europe.[3] While no one could have predicted the timing and the rapidity of the events—after all, those in the best position to know, the East European leaders, did not do so—the general crisis and the pressures for change were long since identified by all but the most pollyannaish observers. As Joseph Rothschild's new work attests, the single most useful tool for understanding the nature of the current cataclysms is the political history of the region, for in their histories lie the roots of the illegitimacy and poor performance of the socialist regimes. Rothschild has written an exemplary book on contemporary Eastern Europe that builds on his previous and much admired history of the interwar period.[4]

The volume under review is an analytic history, full of illuminating comparisons and pithy summaries. For example, in correctly identifying the nature of the crisis that led to the current changes, Rothschild writes:

Stability or viability, control or reform? The dilemma is stark, the circle vicious; the stalemate is palpable. Thus, throughout the Soviet Union's Central European empire, we witness the exquisite irony of a classic Marxian contradiction between a seething socioeconomic substructure and an ossifying political superstructure. (p. 220)

He describes the now deposed leaders as showing political skill "only in avoiding and postponing hard choices among competing priorities, not in making them . . . a pattern of procrastination that until now has been abetted by successive Soviet leaders as well" (p. 221). The Soviet intervention in Czechoslovakia is understood as a reaction to the "possible loss of control to social spontaneity and organizational autonomy" (pp. 172–73). Rothschild suggests that Bulgarian loyalty to the USSR "was not due to any culturally conditioned servility or historically ordained sentimentality on the part of the people or rulers" but rather to a complementarity of economic interests and developmental strategies (p. 212). Thus, this volume is at once an exciting and comprehensive political history as well as an analysis full of interesting, and sometimes controversial, insights.

Where Rothschild may have been proved wrong by recent events is in his assertion that the USSR must retain hegemony over Eastern Europe because such hegemony is "a powerful justification of the Soviet system in the eyes of its own elite and public." It forms, the author argues, a "moral bond" between the Soviet elite and public and among various sectors of the elite. "Hence it probably cannot be relinquished without jeopardizing that internal Soviet legitimacy for which it is both catalyst and keystone" (p. 75). Giving up Eastern Europe would, in Rothschild's view, "erode the domestic security of the system itself" (p. 221). Gorbachev has obviously decided otherwise, though it remains to be seen whether he or Rothschild is right in the long run.

I HAVE argued here that external influences played a crucial role in bringing about the dramatic changes of last year in Eastern Europe. The thrust of Ronald Linden's argument is that change in Eastern Europe has usually been attributed to domestic factors and that the sole external events assumed to influence the region were those that took place in the USSR. However, he asserts, in the 1970's, Eastern Europe became more involved with the First and Third worlds, and so it is necessary to ascertain the influence of the general international environment on change in the region. This he attempts with an examination of Romania and Yugoslavia.

Linden identifies five international "environments" and compares their impact on the two countries in question in the early to mid-1970's with their impact a decade later. The "environments" are East-West relations, capitalist economies, energy,

[3]See, for example, Stanley Hoffmann, "A Plan for the New Europe," *The New York Review of Books*, Jan. 18, 1990, p. 18.

[4]See Joseph Rothschild, *East-Central Europe between the Two World Wars*, Seattle, WA, University of Washington Press, 1974.

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the non-aligned world, and the Soviet–East European relationship. Arranging his argument as a "quasi-experimental" design, Linden systematically takes the reader through each environment and each time period. This approach yields useful and persuasive analyses of change in the two countries and of the relative influence of each factor. The Soviet-East European relationship, which turned out to have had the greatest impact on change in the late 1980's, at least in the short run, plays a minor role in Linden's analysis.

The overall argument—that external environments can play significant roles in bringing about change—is well taken, though some will find the "quasi-experimental" approach stilted, formalistic, and sometimes awkward. Linden does show how international influences had the effect of strengthening authoritarian centralism in Romania. In Yugoslavia, they pushed the system in the same direction, but other factors, which Linden analyzes persuasively, reduced the impact of these international influences. He concludes that "international factors typically will conspire to prevent significant political or economic change rather than to foster it" (p. 189). He makes a persuasive case that this was so in the past. However, because the Soviet Union has changed so much, the opposite may be true in the future, especially now that the West is in a position actively to foster change in Eastern Europe.

Judy Batt's careful comparison of reforms in Czechoslovakia and Hungary in the 1960's and 1970's concludes that economic reform did not create functional prerequisites for political reform in either country. Thus, she enters the debate between Czechoslovak and Hungarian reformers, the former having argued for a necessary linkage between economic and political reforms, and the latter having maintained that economic reform was possible without political reform.

In Czechoslovakia, Batt suggests, failure of economic reform led economists to advocate political changes. The population then became mobilized and pushed for political reform. In Hungary, however, politics remained an elite game, with the population remaining largely apathetic. Alexander Dubček's problem was "containing a massive impetus to participate" (p. 289), whereas János Kádár's was to arouse a population that saw little use in political activity.

Batt also makes a point highly relevant to current developments: she argues that a market economy is quite compatible with one-party rule. Thus, although reforms instituting a market economy may legitimate group and individual interests, they do not necessarily lead to political democracy.

WHAT, THEN, of the future? If we have learned anything from recent developments it is the hazard of predicting discrete events and perhaps even general trends. Nevertheless, broadly speaking, two *Weltanschauungen* will contend for the East European future. On the one hand, as the Soviet empire breaks up, East European countries may revert, as Rothschild's title puts it, to diversity, that is, to the patterns of politics established when they emerged out of the shards of the Russian, Hapsburg, Prussian, and Ottoman empires following World War I. With communist parties in various stages of disintegration, many small political groups may form, governments may be made up of unstable coalitions, and political squabbles may lead to a period of political paralysis, as old scores are settled and new perspectives are sought. Economic stagnation and even ethnic tensions, all too familiar from the interwar period,[5] may persist. The immediate imagined alternative to communism in many of the countries may be nationalism, not democracy. The old interwar issues—Transylvania, Slovakia, Eastern Poland—are coming alive. It is not inevitable that the future will replay the past, but in the absence of a single, consensual alternative to communism, the East European peoples may be tempted to look for scapegoats for the problems left to them by the previous regimes and for reasons why their economies are not turning prosperous overnight.

On the other hand, these are no longer peasant societies, meekly accepting authoritarian rule. They have had enough of that kind of system to despise it and, one hopes, to avoid it in the future. East European societies have larger working and professional classes than they had in the interwar period, and most are ethnically more homogeneous. In the long run, therefore, "European," democratic programs emphasizing universal, humanistic values may dominate authoritarian ones.

The democratic alternative now has the disadvantage of being identified with urban intellectuals, a disproportionate number of whom are, as the East Europeans put it, "of Jewish origin" (Adam Michnik, Bronisław Geremek, and Jan Lityński in Poland, János Kis in Hungary, to cite just a few examples). They may be making the same mistake as their parents, many of whom

[5]Rothschild remarks of the interwar era: "The spirit of the age was not supranational, as had been naively predicted during the war, but ultranational" (p. 9). He also quotes the Polish historian Jerzy Borejsza on the interwar period: "Sensibility to nationalistic and racial ideas, submission and subordination to any authoritarian power, and ruthlessness in combatting adversaries are all a legacy of that epoch" (p. 225).

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were idealistic communists, by trying to bring internationalist, or at least European and democratic outlooks to societies for which these outlooks are still rather alien.

The search for economic alternatives is no less difficult than the quest for a successful political formula. Some East European and Western observers have invoked "capitalism" or the "market" as the simple solution for Eastern Europe. The natural tendency is to assume that if socialism is a failure then capitalism must be the successful alternative. But, as Adam Michnik puts it, "utopian capitalism" should not replace "utopian socialism," and the "cult of the market economy" is probably not the panacea to Eastern Europe's ills.[6] A glance at the unemployed and the homeless in capitalist economies—or even at the enormously high inflation and unemployment rates in Yugoslavia, where "market socialism" prevails—should give pause to the advocates of unrestrained capitalism.

As some of the books reviewed here point out, the Soviet Union as well as the West will have some role in the shaping of the political and economic institutions that will emerge. But, for the first time since the 1930's, it will probably be up to the East Europeans to chart their own courses through turbulent and murky waters.

[6]From a lecture by Adam Michnik at the University of Michigan (Ann Arbor), Nov. 27, 1989.

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Soviet-Type Societies: The Need for New Theory

Ferenc Fehér

FRANK FÜREDI. *The Soviet Union Demystified.* London, Junius Publications, Ltd., 1986.

MIKLÓS HARASZTI. *The Velvet Prison. Artists Under State Socialism.* New York, Basic Books, 1987.

MARIA HIRSZOWICZ. *Coercion and Control in Communist Society.* New York, St. Martin's Press, 1986.

SVETOZAR STOJANOVIĆ. *Perestroika—From Marxism and Bolshevism to Gorbachev.* Buffalo, NY, Prometheus Books, 1988.

THE WORKS under review, although of extremely different merit, have two features in common. First, all the authors originate from the region of the world they analyze: Eastern Europe. Miklós Haraszti is a well-known Hungarian writer with long experience in the dissident movement. Svetozar Stojanović is a leading intellectual figure of the Belgrade group of "the philosophy of praxis." Maria Hirszowicz was, prior to her forced emigration in 1968, a distinguished sociologist of the oppositional "Warsaw School"; and Frank Füredi at least has a Hungarian surname.

Second, although at first glance this point may seem rather trivial, these books share the common feature of all having inappropriate titles or sub-titles. Haraszti's satirical narrative is not about "artists under state socialism"; rather, it is concerned with a certain intellectual atmosphere peculiar to the decades of Kádárism in Hungary. The essay by Stojanović, which is not a historical presentation of either the development of Marxism or Soviet society, actually is a lively polemic against various tenets held by Western Marxists. In her most valuable chapters, Hirszowicz's essay presents a morphology of Eduard Gierek's regime in Poland during the 1970's, about which little outside that country is known. Least of all is Füredi's pretentious book a "demystification" of the Soviet Union, or of anything else for that matter, primarily because the author never bothers to prove that the views he opposes are "myths" to be demystified; he simply declares them myths if he dislikes them.

The seemingly minor issue of misleading book titles can be accounted for, in part, by the desire, so natural in authors, of suggesting the presence of a "grand theory" when, in fact, they have a more limited story to tell. For our purposes, the major issue that this desire obscures involves an exhaustion of the language of "Sovietology." Although Western academic or government-sponsored research continues to generate crucial factual information about the Soviet Union and the East European countries, it has not added one iota to the theory of totalitarianism, to "convergence theory," or to their eventual combinations. On the left, after the paradigmatic Trotskyite narrative of the 1930's and 1940's followed by iterations of the same theory characterized by a consistently declining quality, three typically East European attempts at theory-building

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Ferenc Fehér, a former student of Georg Lukács and a member of the oppositional "Budapest School," has been living in exile since the late 1970's. Among his numerous works are Dictatorship Over Needs *(1983, with Agnes Heller and Georg Márkus),* Hungary, 1956 Revisited *(1983, with Agnes Heller),* Eastern Left, Western Left *(1987, with Agnes Heller),* Crisis and Reform in Eastern Europe *(1990, edited with Andrew Arato), and* Political Legitimization in Communist States *(1982, edited with T. H. Rigby).*

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emerged. These were the thesis of "the new class,"[1] the "humanist" critique of neo-Marxists,[2] and, finally, the holistic theories of the late 1970's and the early 1980's,[3] which were almost exclusively the work of Hungarian theorists. However, the period since Mikhail Gorbachev's assumption of power in the Soviet Union has actually seen the lowest ebb to date of theoretical work concerning Soviet-type societies.

The exhaustion of theory reflects a social and political stalemate that blurs vision and paralyzes thought. In Soviet-type societies, the impasse during the last decade was caused by the strange behavior of the "text" (or the subject matter that has been textualized). Thus, in China, Poland, and Hungary, the regimes showed a sufficient amount of interest in introducing at least elements of a market economy, without demonstrating the slightest inclination for converging with the Western world, with which these countries remained locked in ardent competition. Throughout the communist world, mass terror had also been eliminated, except in Vietnam and certain African outposts of Soviet communism, without weakening the tyrannical character of the political power. Showing an unmistakable contempt for their own ideology, Soviet-type regimes permitted a relative de-ideologization of certain sectors of daily life, but without any tolerance for dissenting opinion. With corruption having steadily increased, the private enrichment of the members of the *nomenklatura* reached levels that called into question "corporate ownership." However, in Leonid Brezhnev's USSR as well as in Gierek's Poland, in recent Chinese experience, and throughout the history of Fidel Castro's Cuba, this trend can be understood in terms of collective decay, rather than as the manifestation of any "right to entrepreneurship."

Given the communist regimes' sharpened crisis of self-identity, every particular theory could account for certain aspects of the situation, while no theory could claim an exhaustive explanation. We now know, with the benefit of hindsight, that the exhaustion of theory was largely conditioned by the opacity of the situation immediately preceding the present crisis.

IN THE sharp light cast by an already manifest crisis, the explanations provided by the four books under review, although different, appear pale and inadequate. By imagining a hypothetical conversation between each book's author and any present-day observer or actor in the world the authors write about, the inadequacy of the explanations can be simply proved. For the purposes of this experiment, the author's own argument as well as the interlocutor's reaction will be presented.

In my view, the book that fares the worst is the Trotskyite exercise in demystification by Füredi. The fact that Trotskyism never had a receptive audience and was viewed with indifference by the populations in Soviet-type societies was due much less to the Stalinist taboo than to the common man's conviction. Despite its advocates' personal sacrifices, Trotskyism appeared as a new edition of the old text, probably with the same disastrous consequences. But Füredi's book will find a particularly impatient audience, since the work merely rehashes, for the nth time, the same old story, still unsubstantiated, of the "leftist opposition," which would have done the same as Stalin did, only much better.

Although Füredi curtly declares the theory of totalitarianism a "myth" or a "mystification" (terms he uses without distinction), the audience would remark that the present actors in Poland, Hungary, Czechoslovakia, and occasionally in the USSR, actually have used the term "totalitarianism" to describe and explain their own social conditions under Marxist-Leninist regimes. Holding the question of its accuracy in abeyance, in this sense the theory is an active constituent of the socio-political dynamic in these countries, and certainly not a "myth." Above all in these societies, observers and political actors would remark, people are thoroughly uninterested in the accusation that the communist regime had deviated from the "correct interpretation" of Marx and Lenin. For the average intelligent citizen of Soviet-type societies, the slogan "return to Leninism" stands for courting (Tiananmen-like) disaster.

FOR THE part of the interlocutor, an incomparably more appreciative —although no less critical—attitude emerges from the hypothetical conversation with the other three authors. Above all else, the civic virtues displayed by these authors demand both our recognition and

[1]See Milovan Djilas, *The New Class*, New York, Praeger, 1957.

[2]The typical neo-Marxist works were written by the Warsaw philosophers, economists, and sociologists (Leszek Kolakowski, Zygmunt Bauman, Włodzimierz Brus, Bronisław Baczko, and Maria Hiroszowicz) in the 1950's and early 1960's; by the Zagreb and Belgrade group of the "philosophy of praxis" (Mihajlo Marković, Svetozar Stojanović, Zagorka Golubović, Gajo Petrović, Rudi Supek, and Danko Grlić) in the 1950's through the late 1970's; and by members of the Budapest school (Agnes Heller, Georg Márkus, Mihaly Vajda, Ferenc Fehér, György Bence, and János Kis) in the 1960's through the mid-1970's.

[3]The representative writings of the "holistic theories" are: Ferenc Fehér, Agnes Heller, and Georg Márkus, *Dictatorship Over Needs*, Oxford, Blackwell, 1982; Georg Konrad and Ivan Szelenyi, *The Intellectuals on the Road to Class Power*, New York, Brace, Harcourt and Jovanovich, 1980; Mark Rakowski (*nom de plume* for Bence and Kis), *Soviet Societies and Marxism*, London, Allison and Busby, 1985; and Mihaly Vajda, *The State and Socialism*, London, Allison and Busby, 1984.

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appreciation. In and out of prisons and interrogation rooms, Haraszti has a nearly 20-year record in Hungary's opposition movement, as well as the prestige of having written *A Worker in a Worker's State,*[4] a masterpiece that is the one book to depict truthfully the actual life of the official "ruling class." During a dramatic intermezzo described in an admirably impersonal manner in her book under review, Hirszowicz became one of the intellectual scapegoats during an outburst of Stalinism *cum* anti-Semitism in the late 1960's, which forced her to leave both her university chair and her country. Finally, Stojanović, apart from being a distinguished social philosopher and political actor of the highest integrity for almost two decades, has been marginalized due to his outspokenness on theoretical issues.

But what is the intellectual yield of their books? Haraszti has written a splendid satirical story of the "external" and "internal" censor, distinguishing between the person who sits in a room and ponders the "deleterious" aspects of the manuscripts submitted to him, and the other with no physical body, who is a mere warning in the writer's or artist's psyche advising what may be portrayed and which subjects must be avoided. Haraszti's satirical-critical point is that in the Kádárist "liberalization" process, the more evanescent the "external" censor became, the more emphatically censorship's influence could be felt in the artist's psyche, since external censorship had been imperceptibly transformed into self-censorship. In reply, Hungarian intellectuals will point out that for them, this story has already become ancient history, while Chinese, Vietnamese, and Albanians would reply that this present is not yet their own. Haraszti's story is indeed far too limited.

A more complex answer emerges from the hypothetical professional reader of Hirszowicz's book. Most likely, this reader will praise the extremely conscientious and richly documented chapters dealing with the Gierek regime's narrow-minded economic policy in the 1970's, its adventurist strategy of recklessly borrowing in the best Latin-American style, the expansion of consumerism with no basis in production, and the personal enrichment of the *nomenklatura.*

For all its merits, though, the work cannot answer a crucial question. When asking what direction shall be taken in the future—which is the actual litmus test of every theory of the present—Hirszowicz remains of two minds. On the one hand, she approvingly quotes Friedrich Hayek's dictum that socialization and nationalization is a road to slavery, while on the other, she criticizes the growing inequality that was manifest in the Gierek period along with its corruption. But it does not take a genius to point out that Hayek and (even moderate) egalitarianism are incompatible. Evidently, the once homogeneous theory has been broken to pieces, and no amount of academic erudition can repair its lost internal cohesion.

While it may seem to be a minor issue, actually it is significant that in Hirszowicz's book, erudition is characteristic solely of the description of the Polish situation, while her analysis of Hungary (in 1956 and after) is appallingly inadequate. The author's comparison between Władysław Gomułka and Imre Nagy, in which the former is accorded a superior position owing to his "resoluteness," is both an affront to historical greatness, as well as a sign of profound ignorance. Such a view cannot be considered accidental, but rather reflects the lack of reciprocal knowledge about each other's histories by the various oppositions, marking one of the major dangers in the intellectual climate of contemporary Eastern Europe and the Soviet Union: the threat of a repeat performance of an inglorious past of mutual chauvinism and disregard.

CERTAIN excellent qualities of Stojanović's book cannot be denied by any hypothetical intellectual interlocutor, particularly its popular style (in the best sense of the word); its theoretical honesty, which never avoids the discomforting aspects and unintended consequences of a theory that has been the author's intellectual mother tongue for decades; and the author's unflinching courage to challenge the left's idols (above all Herbert Marcuse, whom Stojanović criticizes severely but justly). Moreover, although no fair interlocutor can demand pragmatic advice from a book that according to its stated objectives, is a theoretical pamphlet, it is fair to expect a framework in which the reader can think through and work out some pragmatic steps.

Stojanović's framework proves inadequate on precisely this point. His successive gestures of "deconstructing Marx" have yielded a "minimalist" theory from which the grand format and the self-confident promises of the earlier versions of this theory, which had traditionally inspired and animated a wide audience, are clearly absent. In this sense, it may be a good read, but certainly not a guideline for the Yugoslavs' cherished "praxis."

On the other hand, attentive readers will realize the unmistakable Marxian-holistic accent of Stojanović's ultimate solution. In order to overcome the limitations and traps of the Marxist scenarios, instead of a dichotomy Stojanović recom-

[4]Miklós Haraszti, *A Worker in a Worker's State*, New York, Universe Books, 1983.

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mends a "trichotomy," comprised of "statism-capitalism-socialism," rather than the usual conflict between "capitalism" and "socialism." Keen observers will detect immediately that the formulation is a new version of the old thesis of the "modes of production" and "social formations." Those who subscribe to this language inevitably will remain captive to the original limitations it had intended to overcome. In an attempt to grasp modernity's complexity, Stojanović's reformulated Marxian theory will ultimately prove futile. In addition, this kind of discourse has more recently become entirely sterile, since it is in terms of the "state-citizen-market" triangle that political actors in Soviet-type and "post-communist" societies actually attempt to understand and modify their world, leaving behind conceptualizations of new and old "formations" and "modes of production."

Although hypothetical, proof substantiating the latter point can be completely empirical, since it relies on the cultural and political public opinion in those post-communist societies that now have a more or less free press. However, the relevant question that can now be asked is whether the lack of popularity of a theory is proof of its invalidity, or even its falsity? Undoubtedly, the category of popularity should not be a major criterion. And this essay did not intend to subscribe to the current vogue that solemnly declares the "end of" any representative theory in circulation in the area and now vanished.

The matter is made clearer by the most cursory unbiased survey of two storm centers in the area, Poland and Hungary, which offer totally different inventories of influential critical theories. In Poland, an "oppositional" and "critical" Marxism played its functionally crucial role in the late 1950's and early 1960's. These were the times of Leszek Kolakowski's "Marxist humanism," which had a sharp critical edge, and Jacek Kuroń's and Karol Modzelewski's "leftist" opposition within the Polish communist party. But this critical and oppositional Marxism began to disintegrate already in the late 1960's and early 1970's. During the Gierek period it ceded its place to totally different patterns of social criticism, very often represented by the same theorists or political actors.

In the contrasting situation in Hungary, a long season of oppositional Marxism began to unfold publicly at a time when the same theory was already on the decline in Poland. But the Hungarian version vanished from the oppositional scene only much later—during the early 1980's. (To be sure, even during its demise, the theory did stimulate influential circles within the old ruling party whose rebellion played a crucial role in the collapse of the Kádár regime. The Polish version never generated similar reactions.)

THE ABOVE ruminations suggest caution and a certain degree of skeptical relativism in appraising the scope of influence, the width of reception, and the depth of the message of the particular theories. This having been said, certainly the present East European political scene quite clearly yearns for new theories that ought to be able to respond to and account for an extremely "hybrid" transformation from total domination toward some kind of a democratic order. Equally certain is that the books under review here, represent the past tense with regard to this present, and urgent, need.

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Eastern Europe in Flux

Trond Gilberg

WILLIAM E. GRIFFITH, Ed. *Central and Eastern Europe and the West. The Opening Curtain?* Boulder, CO, Westview, 1989.

J. F. BROWN. *Eastern Europe and Communist Rule.* Durham, NC, Duke University Press, 1988.

HÈLÉNE CARRÈRE D'ENCAUSSE. *Big Brother: The Soviet Union and Soviet Europe.* New York, Holmes and Meier, 1987.

KAREN DAWISHA. *Eastern Europe, Gorbachev, and Reform.* New York, Cambridge University Press, 1988.

KRISTIAN GERNER. *The Soviet Union and Central Europe in the Post-War Era.* New York, St. Martin's, 1985.

DURING THE last two decades, the multifaceted relationship between the Soviet Union and the communist-ruled states of Eastern Europe has inspired much research of varying quality and insight. The dynamic nature of the relationship in the 1980's has sharpened this interest, leading to the recent publication of a number of volumes, several of which are reviewed here.

All of the authors of the books under review addressed certain major themes. First, they discussed the nature of the Soviet–East European relationship against the backdrop of changes in the Soviet Union and in the East European countries themselves. These internal changes were brought about by the development of increased pluralism in the political and socioeconomic realms, the decline of socialist economic thought and practice, the lack of political legitimacy, the further development of nationalism throughout the region, and the perceived need (at least in some of the countries, including the Soviet Union itself) for important changes in the way communism operated as a system of rule.

Second, these volumes examined the various policies and approaches used by Moscow to maintain control over Eastern Europe. These mechanisms were political, economic, and military in nature; their "mix" varied over time as circumstances changed. The various authors considered here all emphasized these control mechanisms and attempted to predict their effectiveness (or lack thereof) in the future.

Third, these specialists stressed the deepening interaction between the states of Eastern Europe and the Soviet Union. In the 1980's, the Kremlin could no longer expect to control the region as firmly as before, nor could Soviet leaders influence events as they had previously. Instead, a number of East European tendencies and trends influenced Moscow. Chief among these were the various experiments with political and economic reform in Poland and Hungary, and East German efforts in the fields of management and economic organization. In these cases, Mikhail Gorbachev (and, to some extent, even his predecessors) expressed interest in and occasional admiration for selected East European policy departures.

Finally, the authors firmly understood that the Soviet–East European relationship was strongly influenced by the policies of other actors, especially the United States and the countries of Western Europe, but also by developments in other communist societies, such as the People's Republic of China. These complex interactions made systematic analysis of the topic at

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hand very difficult and predictions about the future fraught with peril.

Generalizations emerging from a close reading of the volumes under review are that: (1) the crisis now besetting communism as a system of rule is intractable; (2) the crisis is occurring in many countries simultaneously, thus indicating a systemic crisis, not merely country-specific troubles; (3) the regional hegemon, the Soviet Union, is at least partly the source of some current troubles in Eastern Europe because of Gorbachev's sponsorship of reform; (4) current developments are evidence of the multifaceted nature of Eastern Europe, requiring a sophisticated and diversified approach by the Kremlin to the individual actors, groups, and governments on a country-by-country basis; (5) the East Europeans, more than ever, have turned to other Europeans across the ideological divide, thus distancing themselves from the "socialist commonwealth"; and (6) the forces for change and the ensuing crisis are here to stay and may have no final solution, thus auguring a period of instability for the individual East European countries.

THE WORK edited by William Griffith covers a great variety of subjects. Its chapters include a historical overview (by Vojtech Mastny), an analysis of economic trends and developments (Paul Marer), a piece on technology transfer (Angela Stent), and an examination of the relationship between the Soviet Union and Eastern Europe in the context of Gorbachev's "new thinking" (John Van Oudenaren). In addition, Dale Herspring examines the importance of the Warsaw Pact as a control mechanism but also as a liability for Moscow; Robert Sharlet discusses "human rights and civil society" in the region; the Polish crisis is analyzed by Sarah Meiklejohn Terry, while Charles Gati examines the case of Hungarian reform communism. The book also contains country studies by H. Gordon Skilling (Czechoslovakia), Victor Meier (Yugoslavia), J. F. Brown (Albania, Bulgaria, and Romania), and the GDR (Griffith). Griffith, together with Wolfgang Berner, examines West German policy toward this region; the same kind of analysis is performed by Dominique Moisi, Michael Mandelbaum, and Mark Palmer for French, United States, and Western (including American) policy toward the region, respectively. The book concludes with Seweryn Bialer's chapter on "Central and Eastern Europe, *Perestroika,* and the Future of the Cold War."

Like any other compendium, Griffith's suffers from uneven contributions and the occasional inability of chapter authors to provide coherent themes. This deficiency is exacerbated by the fact that Griffith's introduction, although insightful, is too short and rather sketchy. The most serious deficiency, however, is the absence of an overarching conclusion by the editor (in its absence, Bialer's chapter serves as a form of conclusion). This deficiency leaves the reader with a sense of having learned a great deal from a few very good chapters (especially those by Marer, Gati, Terry, and Bialer).

But despite the lack of an overarching conclusion, William Griffith's book serves a valuable purpose in that it brings together the views and analyses of many important scholars on a topic that is both timely and crucial for an understanding of the forces for change in Eastern Europe. Before the revolutions of 1989, it was a timely source of new information and some new perspectives on issues faced by the East European countries.

J. F. BROWN'S *Eastern Europe and Communist Rule* has quickly become one of the standard works on the region. In it, Brown clearly draws upon his wealth of knowledge and experience in the study of Eastern Europe, attempting to analyze all facets of East European politics and society. He also examines this region in the context of East-West relations and the security interests of the Kremlin. The book contains chapters on regional political development, Soviet–East European relations, East European relations with the West, economic issues, social problems, and national minorities. However, the bulk of the volume consists of detailed case studies of each of the countries in the region. The final chapter, entitled "A Summing Up," is not quite an analytical conclusion, but rather a summary of the main points discussed in the substantive chapters.

Brown's book has a few major themes. First, he emphasizes the diversity of the region and the need to understand each system on its own merits (and demerits). Second, he discusses the processes of change in each country and the major forces for change. Third, he focuses on the leaderships of each system and their roles in the processes under way in the region at the time of the writing.

Eastern Europe and Communist Rule reflects the fact that the author, a veteran analyst at Radio Free Europe, had access to more detailed information than virtually any other scholar studying this subject. The wealth of information provided is therefore impressive, and any serious student of this area must reckon with this volume. At the same time, the style reflects the approaches to analysis often found in the research bulletins of the Radio, rather than the standard approaches of some other analysts familiar with the region. These bulletins are relatively short, focusing on a few themes, organized almost as an executive summary, while more traditional ac-

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ademic analyses tend to focus upon broader themes and the way in which these themes are linked together. Despite the drawback of his approach, Brown's book will remain an important source of information for a considerable time to come.

ORIGINALLY published in France in 1983,[1] Hèléne Carrère d'Encausse's work was translated into English as *Big Brother: The Soviet Union and Soviet Europe.* This book examines the relationship between the "big brother" and the little siblings of Eastern Europe in three different time periods: from World War II to the height of Stalinism; the subsequent emergence of "national roads" to communism inside the Soviet "outer empire," with special emphasis on the Polish case; and, finally, recent developments in the troubled "socialist family."

The author compares the three periods in terms of the principles underlying Soviet–East European relations and in terms of the mechanisms used to enforce Soviet control over the region. Not surprisingly, she finds that some of the principles and mechanisms changed, while others remained constant throughout the four decades of communist rule. Specifically, the author discusses the personalized control mechanisms developed by Stalin and enforced by him. These mechanisms included the relationship between the Soviet dictator and the East European leaders, all of whom needed help to remain in power; they also included direct Soviet control over the armed forces and security apparatuses of the region. She then examines the changes that occurred in the post-Stalin era, when personalized ties became less important, and formal mechanisms such as the Warsaw Pact and the Council for Economic Mutual Assistance became the chief mechanisms for maintaining the Kremlin's control. The ideological bond that had existed during the early years of Soviet hegemony was severely strained after the revelations of the CPSU's 20th Party Congress in 1956. And then, as the Soviet zone of control became the "socialist commonwealth," each leader in Eastern Europe attempted to enhance his standing at home by embracing nationalism, which at times was anti-Soviet (or certainly anti-Russian). After 1968, the presence of Soviet troops in some countries and the implied threat of the Brezhnev Doctrine, together with Eastern Europe's dependence upon raw materials and fuels from the Soviet Union, became the only real mechanisms for Soviet control over the region.

IN SOME respects, Karen Dawisha's *Eastern Europe, Gorbachev, and Reform: The Great Challenge* is the best volume under review because it matches a discussion of Soviet interests and perspectives with one treating the corresponding East European perspectives. Furthermore, Dawisha systematically examines interparty relations, military and security cooperation, economic leverage, shared perceptions among Soviet and East European elites, and the East European elites' dependency on Moscow as the main Soviet control mechanisms in Eastern Europe. These mechanisms became strained as the East European political systems experienced greater liberalization and the emergence of new forces seeking enhanced political participation. Liberalization in cultural policy also brought greater diversity and challenges to communist control in the region. And the rise of nationalism in each country in the region produced changed circumstances for the control system so carefully established in the region by Moscow.

Dawisha expertly discusses the problems that faced the Soviet leadership after the advent of Gorbachev (but before the sweeping changes of 1989) in its quest to maintain some form of control and influence in Eastern Europe. These attempts included appeals to shared ideals ("socialist internationalism"), common economic interests, and common security needs. But for the first time, leaders in the Kremlin admitted that some of the interests expressed by the East Europeans were irreconcilable with Soviet interests. The debate on this issue had not been settled when the events of 1989 resolved the question in a most dramatic fashion, to the detriment of Soviet interests.

Dawisha concluded her book by discussing the prospects for the transformation of communism in Eastern Europe into something less ideological, less centralized, and more "liberal." In fact, this change, which was necessary, entailed challenges to communist power per se. Such challenges reduced Soviet control over the region, thus undermining the fundamental interests of Moscow. Soviet leaders must confront this problem in the 1990's as well.

COMPARED TO the four books discussed above, the final volume under review here has a much narrower focus and is therefore less valuable as a general analysis of Soviet–East European relations. Kristian Gerner's *The Soviet Union and Central Europe in the Post-War Era: A Study in Precarious Security* focuses on Poland and Hungary after de-Stalinization. But Gerner devotes only about 20 pages to Central Europe as a whole and about 30 pages to Soviet perspectives on the

[1]Hèléne Carrère d'Encausse, *Le Grande Frère* (Big Brother), Paris, Flamarian, 1983.

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region. The result is that this volume tends to reexamine propositions and hypotheses already advanced by others, with little that is new for the reader with some knowledge of Soviet and East European affairs.

One of the main strengths of the book is the introduction, which makes a serious attempt to discuss concepts, hypotheses, and perspectives that are actually utilized throughout the text itself. Here, the author emphasizes the importance of political culture with his thesis that the lack of affinity between Russian political culture and that of much of Central Europe produces a security problem for Moscow.

From this starting point, the author sets out to examine the nature of politics in Poland, Hungary, and, more broadly, in Central Europe as a whole. His main effort, therefore, is to analyze foreign and security relations by means of a study of the dynamics of political behavior in each of the participant countries of the relationship. Specifically, he states that "My approach is hermeneutic in the sense that I view the behavior and actions as meaningful and possible to interpret with the help of specific questioning. My kind of hermeneutics is 'semiotic,' as I regard as meaningful messages or signs to be interpreted not only texts, statements in the natural languages, but also manners, rituals, and symbolic corporal behaviour in general" (p. 15). With this approach, he examines the countries listed above in some detail.

In the end, Gerner finds that political culture matters a great deal. Differences in political culture explain the fact that Soviet policy in Eastern Europe increasingly came to rely on military control to maintain Moscow's security interests. The security that comes from a shared set of values, attitudes, and approaches has eluded the Soviet leadership. We now know how fundamental that difference really is.

THE SWEEP, speed, and scope of recent developments in Eastern Europe and in the Soviet Union itself are of such magnitude that they could not have been predicted by the authors, all of whom completed their research at least two years ago. Thus, the predictions made by most of them appear guarded and somewhat timid in the light of the events now unfolding in the region.

Although in the past, dramatic trends and events were primarily limited to one East European country at a time, in 1989 these pressures swept through the entire region with dizzying speed and thoroughness. Much of Eastern Europe was effectively removed from Moscow's direct control. As important, the fundamental changes in the domestic political order of each of the countries of the region also undermined the indirect control the Soviet leaders had previously exercised through personal connections and elite adherence to a common ideology whose premises were defined by the CPSU. Short of military defeat, history shows few examples of such a dramatic loss of power and influence.

What, then, are the prospects for Soviet–East European relations in the 1990's and beyond? Certainly the future course of these relations will be determined by the personal fate of Gorbachev and his reform policies. *Perestroyka* is still fragile in the Soviet Union. Should anti-reformist forces eventually prevail there, the chances for increased Soviet pressure on the East Europeans would increase. Efforts to reestablish Soviet influence in post-communist Eastern Europe would most likely focus on economic pressure, which reflects the reality of East European dependence upon Moscow for fuels, raw materials, and markets for shoddy finished goods, and on a more determined Soviet security posture, which reflects the fact that the countries of the region are still members of the Warsaw Pact. Such an outcome would have deleterious effects upon the process of democratization inside each of the East European countries. But if the reform process in the USSR does become irreversible, the condition of Soviet–East European relations may become less dependent on personalities at the top of the Soviet hierarchy, and more a function of the recognition of mutual and enduring state interests on the part of both the Soviet Union and the East European regimes.

Thus, at present, the future of the Soviet–East European relationship is uncertain and clouded. A number of variables affect these ties, and the pressure of events in the region make predictions about the course of Moscow's relations with Central Europe exceedingly difficult.

WHAT WAS the nature of the crisis affecting communism in Eastern Europe, and why was it so intractable? Most important, the crisis was one of legitimacy, in which the regimes of the region lost their ability to command the necessary support from the masses of the population or from the crucial elites who operate and manage a modern economy and society. People no longer believed in Marxism-Leninism, and they also discarded the rhetoric of the communist elites as it pertained to achievements in the socio-economic and cultural spheres. This progress, which was considerable, simply failed to meet the rising expectations of the populations of the region.

The crisis was also political in nature because it had to do with the increasing assertiveness of various social groups in their quest for input into the decision-making process. Until 1989, this input was restricted,

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and much of it was blocked by the ossified communist party apparatuses in the regimes of the region. Even in the Polish and Hungarian regimes, the most reform-minded in Eastern Europe, resistance to popular participation existed at all levels, especially within the regional bureaucracies.

Except in Romania, party elites in the region nevertheless thought they could deal with the political crisis by expanding opportunities for the public to participate in the political process through the formation of interest groups and even political parties having real autonomy from the communist party. Enhanced participation promised to reduce the monopoly of power enjoyed by the communists. Resistance to demands for greater participation, which threatened to transform the system of power, represented the fundamental source of unpredictability and instability in the revolutions of 1989. In a sense, the conservatives' apprehensions were justified, for once a measure of popular sovereignty was granted by the communist regimes in the area, the ensuing mass mobilization overwhelmed Marxist-Leninist rule.

The crisis also had an economic dimension. With the economies of the region stagnating, the safety valve of relatively rapid upward social mobility had also been closed, and the socioeconomic classes that developed during the years of forced industrialization considered their own opportunities in society in light of this unpalatable fact. Thus, class relations became competitive, one class against another, and all classes against the "authorities." Under these circumstances, each class cast up its own leaders—such as a Lech Wałęsa—whose attitudes and values sharply contrasted with the aging bureaucracy of "people's power." The system waged war upon itself, and only through fundamental socioeconomic and political reform could this war be stopped.

THE CHANGES in Eastern Europe may have gone further than the Kremlin intended as a result of the fact that many people apparently no longer believed that Moscow would intervene militarily in the political processes under way in the region. Some East European leaders apparently shared this belief. Under such circumstances, one of the most important psychological control mechanisms available to Moscow was severely weakened. None of the authors reviewed here predicted this development, but they can hardly be blamed for this deficiency, for the sea change in Soviet–East European relations has stunned virtually all of those who study this region seriously and systematically.

Still, these books must be examined in the light of the self-scrutiny now taking place among students of Soviet and East European politics. Briefly put, the following questions are being asked: (1) Why did most analysts, including the authors of the works discussed here, fail to understand or predict the fundamental nature of the crisis of Eastern Europe in the 1980's? (2) Why did their analysis, sophisticated as it was, assume, implicitly or explicitly, that change in Eastern Europe could only take place within the framework of the communist systems themselves?

Perhaps the easier question to answer is the second. Basically, the authors represented in this review assumed that the communist parties of Eastern Europe would retain control over the means of coercion and that this control would make it possible for these parties to remain in power, thus allowing them to experiment with various forms of reform and limited participation by other groups (and perhaps even other political parties). Specialists also assumed that the Soviet political process, although in the midst of reform, would continue to be dominated by the communist party, and this fact would enable the CPSU leadership to define the Soviet Union's security needs in Eastern Europe and also actively to maintain these interests (but perhaps without military intervention).

In answer to the first question, it is quite clear in retrospect that the communist parties of Eastern Europe lacked even the basic ability to retain their leading role without the Soviet Union's support, so that the demands for *fundamental* change (and not merely reforms of the existing order) articulated by societal elites and the general population became irresistible, with parts of the coercive apparatus actually joining the demonstrators. Throughout the region, the events of 1989 showed the extent to which the East European communist systems were fundamentally flawed politically, socially, and economically and could not reform themselves, thus fostering revolutions that transformed the political landscape of the region for all time to come. And these same processes debilitated the Soviet Union and made it impossible for the CPSU to articulate or define its security goals and interests in Eastern Europe.

Thus, the two premises upon which the analyses in the volumes under review were built—that of the maintenance of some form of communist power domestically in Eastern Europe and the continued ability of the CPSU to define the foreign policy agenda for the East European countries—were both flawed. This fact renders the volumes examined here interesting but ultimately OBE—overtaken by events.

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The Modernization of China's Military

June Teufel Dreyer

CHARLES D. LOVEJOY, Jr. and BRUCE W. WATSON, Eds. *China's Military Reforms: International and Domestic Implications.* Boulder, CO, Westview, 1986.

ELLIS JOFFE. *The Chinese Army After Mao.* Cambridge, MA, Harvard University Press, 1987.

JOHN WILSON LEWIS and XUE LITAI. *China Builds the Bomb.* Stanford, CA, Stanford University Press, 1988.

MONTE R. BULLARD. *China's Political-Military Evolution: The Party and the Military in the PRC, 1960–1984.* Boulder, CO, Westview, 1985.

AT THE TIME of Mao Zedong's death in 1976, the Chinese military was in poor condition as a fighting force. It did, however, possess substantial political clout: for example, units of the People's Liberation Army (PLA), a term that embraces navy, air force, marine, as well as army units, backed Hua Guofeng in his arrest of the radical Gang of Four. And the PLA was heavily involved in the functioning of the country's economy. Indeed, its preoccupation with political and economic activities may, in part, explain the military's shortcomings as a fighting force.

When Deng Xiaoping returned to power in 1977–78, he pledged to modernize the military, along with all other sectors of Chinese society, and bring it up to advanced world standards. With this backing, the PLA began a campaign to attain the "three transformations": modernization (*xiandaihua*), revolutionization (*geminghua*), and regularization (*zhengguihua*). The first category includes the updating of equipment and changes in strategic doctrine. Official Chinese sources define the second category as the creation of a consensus among the PLA membership in support of the party line. The third category, regularization, is generally understood to comprise the categories of professionalization and streamlining.

The goal of the campaign, Deng avowed, was not to replicate the Western military, but rather to create "a modern army with Chinese characteristics." Deng did not, however, elaborate on the specific characteristics to be included, and in the process of implementing the three transformations, he raised a number of intertwined questions surrounding problems such as: which military weapons to procure and what mix of foreign and indigenous inputs to employ; whether China's traditional doctrine of People's War should be modernized or whether it should be replaced by an entirely new strategy; what precisely is meant by the term professionalism in the Chinese context; and in what ways and by what numbers might streamlining be effected. Such questions and others that they imply—to what extent the past decade's efforts have succeeded in making the PLA a more credible fighting force, and against whom—have been the subject of numerous studies of the Chinese military in recent years, including the four titles above.

THE UPDATING of military equipment is the focus of separate chapters by William Tow, Wendy Frieman, John Frankenstein, and Robert Sutter in the volume edited by Charles Lovejoy and Bruce Watson—and the subject of one chapter in Ellis Joffe's book. It occupies the center of attention of the work by John Lewis and Xue Litai. The contributors to the Lovejoy-Watson volume, while crediting the Chinese with substantial progress in overcoming the disastrous effects of

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radical Marxist policies, remain skeptical about future capabilities of the PLA. Tow, for example, characterizes recent patterns of Chinese military behavior and technological acquisition as a series of vague and unfocused efforts by the leadership to revise the country's strategic perception and blueprints. John Frankenstein focuses on the internal Chinese debate on what to produce at home and what to procure abroad.The argument for "self-reliance," oft-repeated in Chinese sources, is, in Frankenstein's view, a slippery term, but one that should evoke caution and modest expectations among potential suppliers of the People's Republic of China (PRC).

Although official Chinese sources have an understandable tendency to emphasize a preference for indigenous production, Wendy Frieman points out that foreign equipment, matériel, technology, and advice have been critical for conventional weapons production in China since 1949. The form of this assistance has, however, varied considerably over time, ranging from the "hands-on" involvement of the Soviet Union to the occasional use of United States systems captured from the Nationalists by the PLA in the 1940's.

Frieman judges the PLA's specialists in weapons and equipment development to be quite adept at reproducing and modifying the foreign systems they have acquired; China now has the capability to manufacture an impressive array of conventional as well as strategic weapons. However, Frieman adds, a great deal of time and energy has been consumed by the painstaking tasks of reverse engineering and modifying foreign weapons. As a consequence, professionals in the military-industrial complex are incapable of creating new designs or incorporating major technological developments, such as those that have characterized the electronics industry, into weapon system production.

The defense industries also lack the experience necessary for managing the integration of large, complex systems effectively. Finally, as Frieman points out, different ministries, services, factories, and research institutes within China's military-industrial complex appear to have had significantly different experiences in absorbing technology, as well as significantly different capacities for undertaking wholly indigenous research and development projects. The submarine, nuclear-missile, and satellite programs seem to constitute pockets of excellence, whereas aircraft engine design and military electronics continue to be the weak links in the defense production chain. Frieman closes with a note of caution: since much more is known about China's fighter program than, for example, about its air defense weapons, it is best to avoid generalizations based on uneven amounts of data.

Joffe's pithy assessment of China's effort to upgrade its weapons systems and equipment is: "backward but better." In a judgment that is generally more optimistic than that of the other authors, he believes that the Chinese have realistically tailored their weapons modernization policy to their limited means, and that improvements will accelerate in the coming years.

Lewis and Xue argue that China's perception of nuclear blackmail by the United States prompted the PRC's leadership to decide to develop nuclear weapons. Although Mao Zedong had originally formulated the revolutionary struggle in terms of People's War, deriding the bomb as a paper tiger, he subsequently recast the struggle to include the concept of deterrence, as the US, driven by its own fears of a communist takeover in Asia in the aftermath of the Korean War and Taiwan Straits crisis, expanded its nuclear arsenal. As so many other nations have done, the PRC accommodated its defense policy to technology rather than vice-versa.

Less than a decade separated the decision to build the bomb in 1955 from the first detonation in 1964. A team of scientists under the direction of Marshal Nie Rongzhen used the advanced technique of implosive detonation originally designed for a bomb fueled by plutonium and applied it to one fueled by enriched uranium.

Lewis's and Xue's description of this process is unfortunately marred by the nature of their sources, which are written in a socialist-realist literary style known as "rejecting the wavering middle." All heroes are completely heroic, while the Soviet advisers are cast as unmitigated bad guys: "mute monks who would read but not speak" and, when they do, give insulting advice (p. 160). None of the Chinese involved doubts that the selfless deeds he performs under harrowing conditions with complete disregard for climatic conditions, family relationships, or personal safety, will result in anything but triumph. An engineer joyously reports his dream that the Party Central Committee has approved a specific zero hour; a few days later, the very same order is received and the detonation is a complete success. Unfortunately, the authors have put so little distance between themselves and these sources that a genuinely impressive scientific achievement is related in a manner best characterized as kindergarten-level hagiography.

Richard Latham has produced a thoughtful essay on reforms in the PRC's defense industries for the Lovejoy-Watson volume. He argues that from the standpoint of a Chinese economist or domestic policy-

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maker, Deng's decision to integrate defense industries into the general economy is eminently sensible. However, as Latham points out, China's defense planners tend to view the decision quite differently. Although integration makes possible a more efficient and profitable use of resources, defense planners worry that the emphasis on producing consumer products will compound the difficulties of achieving a modernized force structure.

The present domestic pressures for an efficient economy may have three serious consequences for China's defense system. First, defense industrial managers will almost certainly be torn between which master to serve. The central authorities' concurrent demands for profitability (in the form of consumer goods) and for defense production pose difficult choices for socialist industrial leaders.

Second, the perception that traditional defense research, development, and industry has been overfunded in the past may result in a current underfunding of the defense industrial base, causing it to become even less capable of producing an affordable force structure.

And third, the re-channeling of some of China's defense production capacity to consumer manufacturing may result in deferred defense acquisitions. In theory, only excess production capacity would be devoted to manufacturing civilian consumer goods, and factories would be operating at or near capacity levels. In reality, however, it is far more likely that the factories will continue to experience varying degrees of inefficiency, and that part of the civilian production capability will be achieved by diverting resources from lines previously dedicated to military production. Deferred defense acquisition eventually may result in logistic shortfalls and sustainability problems. Furthermore, should the government at some point deem it necessary to convert military factories back to full-time defense production, the reconversion would be extremely costly and time-consuming.

Extrapolating from Latham's arguments, the increased involvement of the PLA in civilian production could also further blur the already indistinct lines between military and civilian sectors in China, making Deng's avowed goal of professionalizing the PLA more, rather than less, difficult. The current emphasis on profitability, coupled with low military pay scales, has already led to an alarming growth of corruption within the PLA. These two factors, needless to say, work against improving the fighting capabilities of the military.

The matter of changes in doctrine is addressed both by the Joffe volume and by Paul Godwin's chapter in the Lovejoy-Watson book. Analysts of the Chinese military have debated for some time whether the "new" doctrine of People's War Under Modern Conditions should be considered an extension of traditional Maoist People's War or whether it represents a genuinely different strategy. Joffe and Godwin agree that it is the latter. The abandonment of the concept of luring the enemy deep into Chinese territory in order to fight a prolonged war of attrition using guerrilla as well as regular forces constitutes, in their view, a fundamental break with People's War. Joffe believes that the semantic link to Maoist ideology has been retained largely in order to provide legitimacy for strategies never contemplated by Mao Zedong. He points out that except in the highly unlikely case of a massive ground invasion of China, the PRC's strategy will be to make every effort to prevent the enemy from penetrating deep into its territory. If successful, this strategy will eliminate the necessity of mobilizing the entire population to take part in the hostilities; the war will be fought mainly by the regular army. Godwin adds that, in fact, the Chinese have since 1949 been taking the battle to the aggressor at the earliest possible opportunity.

PROBLEMS generally grouped under the category of revolutionization—first, attaining of a consensus within the military in support of the party line and, second, the PLA's assuming its proper supportive role in the interlocking directorate of party, army, and government—form the heart of Monte Bullard's work. In 1981–82, in order to ensure fealty to his reforms, Deng mounted a major campaign against leftists within the PLA. His targets were those who, for sometimes overlapping reasons of ideology and self-interest, refused to accept the many deviations from Maoism that the reforms involved. In accordance with established procedure, the task of erasing leftism within the PLA was entrusted to the commissar system, which was itself full of leftists, since ensuring ideological orthodoxy is a major reason for its existence. This created an obvious conflict of interest. Progress was understandably slow because the system was being told, in effect, to purge itself.

With regard to the military's role in the interlocking directorate of power in the PRC, Bullard's data show a major increase throughout the 1960's in the number of individuals holding positions in either two or all three of the party, government, and military hierarchies—there were 122 such individuals in 1960 and 445 in 1973. This was followed by a dramatic decrease in multiple-role individuals in the late 1970's and early 1980's. By 1982, there were only 73 individuals who held positions in more than one hierarchy. The involvement of party members

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in the political commissar system of the PLA, particularly at the military district level, has, however, remained relatively unchanged. Nevertheless, where elite group members continue to hold multiple roles, Bullard believes that they are more likely to serve as mediators than as controllers. They must be individuals capable of bringing two or more organizations together in some form of consensus through a positive appeal, rather than by threats or sanctions.

Bullard considers the increasing functional specialization inherent in role differentiation to be basically positive, since a leadership made up of generalists may not be able to respond properly to the technological needs of modernization. However, Bullard cautions, increased specialization is also very likely to lead to increased bureaucratism and concomitant stagnation, precisely as Mao Zedong predicted it would. Whether it will also result in the creation of a system of checks and balances for internal politics, he notes, remains to be seen.

THE LAST of the "three transformations," regularization, is the area of greatest disagreement among the authors. Joffe, as many others have done before, tends to assume that when the Chinese leadership announces its intention to implement a particular reform, the reform can be considered a fait accompli. He also tends to assume that the reform will be accepted by all but a few superannuated ideologues who will soon pass from the scene. The human costs of implementing these directives, and their effect on group morale and hence on military effectiveness, receive short shrift.

The demobilization of 1 million military personnel in fact created severe strains within the PLA. The enforced retirement of large numbers of senior officers from the military—often with no alternative employment provided—created a significant group of disgruntled, unhappy people. This group included both the officers who were unwillingly turned out into civilian society and the civilian units who were obliged to accept them. Some soldiers resorted to armed banditry, others to passive resistance.

The abolition of some military units and the merger of others disrupted loyalty networks and encouraged mistrust. This reorganization was ostensibly carried out in order to streamline the PLA ranks and substitute younger, better-educated officers for older and less technically able careerists. However, political considerations and personal connections—the ubiquitous *guanxi* factor—often outweighed, or were perceived by those affected to have outweighed, professional criteria in determining who would be demobilized and who would be allowed to remain. Officers who were demobilized in their 50's could not help but notice, for example, that both the chair of the Central Military Commission and his chief deputy were in their 80's.

At the other end of the spectrum, recruitment, which was also adversely affected by other aspects of Deng's reforms, created additional strains within the PLA. When a free market for agricultural products was introduced, the young male peasant who had been the traditional mainstay of the PLA discovered that he could make more money and also enhance his marriage prospects by staying home. Most male peasants, therefore, made every effort to avoid the draft. The more educated urban youths that Beijing planners had hoped would form the vanguard of a new, technologically-sophisticated PLA were similarly averse to joining; indeed, many chose to remain unemployed rather than do so. Moreover, even those who were interested in joining found that the officers were reluctant to accept them. Peasant youth adapted more readily to the rigors of military life, and were regarded as less likely to pose discipline problems. Some localities met their recruitment quotas by signing up social misfits and the physically infirm; others staged surprise raids on homes where draft-age males were known to reside.

The problems of morale caused by these demobilization and recruitment policies transcended any simple professional/leftist dichotomy. Indeed, the implementation of professional criteria was directly undermined by the existence of an army of the unfit and the unwilling. Joffe's argument that "in all other areas [but equipment procurement] professional officers have been fully satisfied" (p. 170) and that "the retirement of Marshal Ye Jianying both removed the main focus for dissent and deprived the dissidents of a voice in the Politburo" (p. 179) is simply not tenable.

Proceeding along a slightly different line of inquiry, a chapter by William Heaton and Charles Lovejoy in the Lovejoy-Watson volume points out that military leftists are not without plausible arguments in support of their anti-reform position. The present system can be said to have served China's needs quite well over the past 40 years. Incremental increases in capability will not enable China to make substantial gains on Soviet, or perhaps even Vietnamese, military might. And, they add, the restructuring of the traditional ideological basis for esprit de corps to one based on professionalism may fundamentally alter the PLA in an undesirable way.

DENG'S military program, when considered in isolation from the context of Chinese society as a whole, is impressive in its design

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and logical in its goals. Some Western analysts have therefore tended to regard its success as inevitable. However, the problems facing the PLA are to a significant degree a reflection of the problems of Chinese society itself. There is an element of intractability in them that transcends the orders of the leadership, whether its directives be radical or professional in nature.

One major hindrance to reform is that the basic determinants of Chinese culture make it difficult to inculcate loyalty to institutions outside of the family and village. At the same time, the essence of the current Western-inspired reform is the creation of just such transcendent forms of loyalty.

A second major obstacle to effecting a major streamlining of the military ranks is the serious problem of unemployment and underemployment that now exists in the civilian sector. Had the economy grown fast enough to provide employment opportunities for demobilized officers, the difficulties of streamlining might have been mitigated. However, it did not. Much of the streamlining in fact involved cutting from the ranks of the PLA troops who had never been engaged in combat-related activities. Railway corpsmen and construction workers continued to perform the same duties as civilians as they had while in uniform.

A third difficulty lay in trying to improve both the equipment and the professional standards of the PLA during a time when military budgets were declining and when individual PLA salaries were decreasing relative to those in the civilian sector.

Finally, there was no perception of a serious external threat to China. Such a threat might have enhanced the prestige of the military establishment and reinforced the need for higher standards.

These circumstances undermine the underlying premises of the logic of Chinese military reform: when placed in the context of Chinese society as a whole, success seems far from inevitable. Progress has undoubtedly been made; whether to be impressed by the accomplishments or depressed at the distance yet to go will depend on the mindset of the beholder. Perhaps the best summary of the decade's efforts is Monte Bullard's judgment (p. 19) that, "in short, the PLA is having a difficult time moving from a poorly-equipped, cellular, decentralized peasant army to a unitary, well-equipped, integrated and centralized professional military force."

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